

DIPLOMATIC SECURITY ACT

HEARINGS

BEFORE THE

COMMITTEE ON FOREIGN RELATIONS UNITED STATES SENATE

NINETY-NINTH CONGRESS

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TO PROVIDE FOR THE SECURITY OF UNITED STATES DIPLOMATIC
PERSONNEL, FACILITIES AND OPERATIONS, AND FOR OTHER PURPOSES

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CONTENTS

Hearing days:	Page
February 4, 1986	1
April 30, 1986	25

TUESDAY, FEBRUARY 4, 1986

Statement of:	
Shultz, Hon. George P., Secretary, Department of State	3

WEDNESDAY, APRIL 30, 1986

Statement of:	
Spiers, Ronald I., Under Secretary for Management, Department of State; Robert E. Lamb, Director, Bureau of Diplomatic Security, Department of State; David C. Fields, Deputy Assistant Secretary for Security, Department of State; and Richard N. Dertadian, Deputy Assistant Sec- retary for Foreign Buildings, Department of State	27

APPENDIX

Text of:	
S. 2015	59
Prepared statement of:	
Shultz, Hon. George P	74
Spiers, Ronald I	130
Messmer, Robert F., AIA director, criminal justice planning, Security Source One	151
Submissions for the record:	
Department of State authorized U.S. overseas positions, agency/activity summary, January 8, 1986	90
Diplomatic Security Service accomplishments and goals	92
Responses of Secretary Shultz to questions asked by Senator Kassebaum... Letter to Hon. Richard G. Lugar, chairman, Committee on Foreign Rela- tions, from Edwin J. Feulner, Jr., chairman, U.S. Advisory Commission on Public Diplomacy, dated February 3, 1986	104
Terrorism and Security: The Challenge for Public Diplomacy, a report of the U.S. Advisory Commission on Public Diplomacy, December 1985	107
Major Policy Initiatives, fiscal year 1987, from the Department of State	148

DIPLOMATIC SECURITY ACT

TUESDAY, FEBRUARY 4, 1986

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The committee met at 9:15 a.m., in Room SD-419, Dirksen Senate Office Building, Hon. Rudy Boschwitz presiding.

Present. Senators Boschwitz, Helms, Evans, Pell, and Cranston.

Senator EVANS [presiding]. This hearing will come to order. Senator Boschwitz was to chair this morning, and I think he is captured, as we all get captured, in traffic on various bridges.

Good morning. We are pleased to welcome this morning Secretary of State Shultz who is testifying on the administration's proposals concerning enhanced security for U.S. missions abroad.

Although the administration is requesting such sums as may be necessary in fiscal year 1986 and 1987, the Department's estimate of actual funding is \$702 million in 1986 and \$1.4 billion in 1987. The total for 1990 is estimated at \$4.4 billion.

Mr. Secretary, I want to assure you of the deep concern we all feel over the increased risk to Americans serving their country overseas. We've anguished with you at the loss of diplomats at the hands of terrorists who threaten not only individual lives, but the very fabric of international conduct in a civilized world.

We recognize that there are no simple solutions, that we must confront this problem in a variety of ways, strengthening international cooperation against terrorism and its supporters, and beefing up on intelligence capabilities, to name just two.

Today you present an important third focus, increasing the physical security of our foreign missions. I think you will find the committee generally sympathetic, although we want to raise some concerns with you, including the criteria used to arrive at the budget being requested; at what point, if any, should cost outweigh what might be marginal increases in actual security; the tradeoff between security and mission performance; at what point do security enhancements so impede the public functions of a mission that it might as well be closed; the point that no matter how secure our embassies become, individuals and residences will remain vulnerable; the question of closing consulates and other posts in order to save on security costs; in other words, are all of our posts vital?

I am sure that my colleagues will have other concerns to address to you as well, so we look forward to this exchange.

Senator Pell, do you have an opening statement?

Senator PELL. Thank you, Mr. Chairman, and I support the concept that our diplomats abroad should be provided the security necessary to carry out their functions.

However, I think we are all concerned that the security enhancement program which calls for an expenditure of \$4 billion over the next 6 years might seem high in view of the current budget problems created by Gramm-Rudman.

If we compare the total 1987 fiscal year request with this year's current appropriated levels, the Department will be asking for approximately a 45 percent increase.

During today's testimony I trust the Secretary will explain in some detail the criteria used by the Department to arrive at the figures requested for this program and highlight the portions of it which he considers absolutely essential.

As the chairman has pointed out, the problem here is to make sure that a fortress mentality does not creep into our program to such an extent that the posts involved lose their ability to carry out their normal diplomatic functions.

When you compare the statistics of those Chiefs of Mission who are being killed in the last few years, more Chiefs of Mission have been killed since World War II than generals and admirals. I think that this is an accurate statistic. We should do more to protect our own if we possibly can.

Senator EVANS. Senator Cranston.

Senator CRANSTON. I welcome you, Mr. Secretary, to a very important hearing. I will do what I can to support reasonable increases in the security, and I think the authorization process should go forward right away, regardless of the budget problems that we will face.

I do hope that you can come up in the course of time with some offsetting reductions somewhere else to help us with that budget process and one example would be in foreign aid where I gather the administration is going to call for a large increase, as much as \$1½ billion, and I do not see that flying.

It seems to me that is one place we might make some reductions rather than increases. I know how important foreign aid is in many respects, and I know that it is also domestic aid in some respects in terms of the way it is used. But I think that when we are facing these Draconian cutbacks in so many programs, that is one place that is going to be very difficult to expand.

If there are ways to cut back there, it would help provide the funding that what you are going to present today is a very great and fair amount need.

Senator EVANS. Thank you.

Mr. Secretary, the floor is yours.

STATEMENT OF THE HON. GEORGE P. SHULTZ, SECRETARY,
DEPARTMENT OF STATE

Secretary SHULTZ. Thank you, Mr. Chairman, members.

I appreciate the opening comments that have been made by each of the Senators. I agree that the questions you have raised are very relevant and they are just the questions that the Inman panel considered and that we have considered and that we welcome a chance to talk and have your views on.

Obviously, we are in a period where every dollar needs to be examined closely. That is always the case, but especially so right now. I would just say, and I realize the time for testimony on security assistance and related economic assistance is in a different forum, but at least as we view it, we have not proposed an increase. We have proposed something that just about straight lines what the President proposed last year and which was not far away from the 2-year authorizing committee levels.

At any rate, when we get to that subject, we certainly would welcome a chance to discuss that with you.

Mr. Chairman and members of the committee I welcome the opportunity to speak in support of the administration's proposals to protect our people in diplomatic posts overseas. With your permission I will summarize my statement and submit its full text for inclusion in the record.

Senator BOSCHWITZ [presiding]. Without objection.

Secretary SHULTZ. Over the past few years, the attention of the world has been riveted to terrorist dramas unfolding around the globe. This is a new and chilling phenomenon, one with which civilized nations and civilized peoples are inadequately equipped to deal. That can and must change.

We must do everything we can to thwart those who seek to advance their ends through terror. We in the State Department and our colleagues from other agencies serving abroad are on the front line. Our friends and colleagues have been victims of this violence, but the challenge of terrorism has strengthened our determination.

The courage and patriotism of our people and their families in the face of these dangers are inspiring. We must spare no effort to ensure the safety of the people and facilities of all agencies abroad.

In this period of budgetary stringency, this task must be a priority. Therefore, we have designed a program which in our view is prudent, thoroughly thought out, efficient in its commitment of resources, yet responsive to the inescapable necessity we now face.

The United States has always built handsome and accessible embassies and consulates abroad. Our object was to be easily accessible, to demonstrate to other peoples the openness of our society and the hand of friendship we extend to all. We wanted the local populace to see a welcome sign over our door and to feel comfortable in entering our buildings. This is the essence of the job we do overseas and we have been highly successful at it.

We are now faced with a new situation. The current security and terrorist problems have left those same buildings vulnerable. Our challenge is to strengthen our security against the new dangers so that we can maintain our tradition of openness and accessibility. We will not let the terrorists win their victory by isolating us, forc-

ing us to close our doors, or denying us our contacts with the peoples of the countries in which we are represented.

So our concept is, if you have the concept, say, of a library, people want to come into that library; that is what we put it there for. If they feel that the building is somehow an insecure place, they will not come in.

So if we are going to maintain the openness and accessibility and the desire of people to come in there, we must make it clear to them that we have taken the steps that can be taken. Many of them are pretty straightforward and simple. Reach out and express that concern.

So being concerned about security is totally consistent with what we want to accomplish, but as things have changed we have to add some measures.

With this goal in mind, I formed the Advisory Panel on Overseas Security, chaired by Admiral Inman. I asked the panel to take a hard look at our security and counterterrorism programs. I did not want or need an apologia. I wanted ideas and recommendations. I am extremely pleased with the panel's report. The hard work and dedication of the panel is clearly reflected in the quality of its report.

The panel exhaustively researched all aspects of our security and counterterrorism programs. Its recommendations have vision and, perhaps more importantly, are practical. They are recommendations which, with your support, are achievable.

The panel made 91 recommendations. We have implemented 45, and work is underway on 20 more. An additional 20 are awaiting the resources requested in our proposed legislation. Using existing resources and authorities you had already provided, we have made progress in many areas highlighted by the panel.

For example, we have started an ambitious recruitment campaign to bring on board nearly 300 new security agents during fiscal year 1986 and to more than double the number of overseas security officers before the end of this fiscal year.

In addition, we have added more marines to posts; nearly doubled the size of our armored vehicle fleet worldwide; made significant physical security improvements at 152 of our posts overseas in 1985; consolidated the security functions of the Department into one office, the new Bureau of Diplomatic Security; and also created an Office of the Ambassador at Large for Counterterrorism which deals with policy matters and reports directly to me.

There is, however, a limit to what we can do with existing resources. We need additional legislative authorities and resources to implement some key recommendations of the Inman panel.

We are seeking them in this proposed diplomatic security authorization bill. The administration's proposals now before you will do three main things.

First, launch a comprehensive worldwide security program, key elements of which are improvements in communications and intelligence sharing, and a 5-year construction program to replace or upgrade our most vulnerable posts.

Second, complete the reorganization of our security program as recommended by the Inman panel.

And third, revise and clarify the chain of command for overseas security programs.

Many of our overseas posts front on busy streets. Some have extensive glass facades. Some share walls with non-U.S. Government tenants. All this is generally undesirable and simply unacceptable in a great many situations.

The program places its highest priority on buildings and locations where the security threat is greatest and which are substantially below the new standards. Great effort has gone into creating a security construction program which would ensure that buildings are designed and built to meet stringent security standards on time and within budget.

We will not carry out this construction program alone. With the help of the National Academy of Sciences and others, we are developing design criteria and security standards that will make our new embassies safer and more readily defended.

The private sector will also play a key role in ensuring effective management and implementation of the building program. But our proposals are more than a security construction program. We will also improve communications and counterintelligence. For example, we will improve security at Moscow and other East European posts by, among other things, substituting Americans for a substantial number of local employees now working in support positions.

Further, we are requesting resources to strengthen our capability to protect foreign missions and dignitaries in the United States. This legislation will also complete the Inman panel's proposed reorganization of security responsibilities in the Department by first providing an Assistant Secretary of State to head the new Bureau of Diplomatic Security; second, creating a Director of the Diplomatic Security Service; third, establishing special recruitment and performance standards for members of the Diplomatic Security Service; and fourth, increasing our emphasis on key operational efforts such as residential perimeter and technical security.

The Inman panel concluded that management of the security program was overly fragmented and that the chain of command ought to be more focused. We agree. Therefore, the administration's proposed legislation fixes overall responsibility and authority for the management and direction of the U.S. security program overseas on the Secretary of State and, through him, the Ambassador at the post.

We are working closely with other agencies to develop—let me just make a remark to emphasize why that is so important. Roughly 71 percent of the U.S. Government people serving at overseas posts are not employees of the State Department.

Our missions abroad, in other words, are managed by us. We have a lot of administrative responsibilities and of course we have our substantive functions, but most of the people come from other agencies and it simply will not work to have each one running its own security program, anymore than it works if we do not have a cohesiveness to our substantive programs abroad.

So we have to pin the responsibility on somebody overall and that somebody must be the Ambassador, just as I have to field the direct responsibility for seeing that this program moves.

We are working closely with other agencies to develop and agree upon appropriate security standards and procedures and levels of resources responsive to the needs of all U.S. Government agencies having facilities overseas, except for military bases.

The legislation reflects a systematic approach for drawing lessons from security disasters and for fixing individual responsibility. The proposed Accountability Review Boards will expand our current procedures to investigate incidents involving serious injury, loss of life or significant destruction of property at our posts overseas.

If a board concludes that someone was directly responsible for breach of security, that information will be given to the employing agency for appropriate action.

This bill requests \$4.4 billion, spread over 5 years. Of this total, \$2.7 billion is for construction and the balance is for operating expenses, including security officers, residential security improvements, and more secure communications equipment.

In fiscal year 1986, the administration is requesting \$237 million for salaries and expenses and \$455 million for construction. In fiscal year 1987, the request is \$304 million for salaries and expenses and \$1.1 billion for construction.

Mr. Chairman, the administration is proposing a major national program to improve the physical and technical security of all civilian departments and agencies abroad as well as the physical security of foreign missions and officials in this country.

This proposed legislation is the product of long hard work to which many agencies have contributed, and is intended to meet their requirements. The overriding goal of our proposals is to maintain the American tradition of overseas posts that extend the warm hand of welcome to the local population.

The program I have outlined today is intended to ensure this openness. In light of the dangers of today's world, we must not forget the purposes of our overseas presence is to spread our message and communicate our ideals to other nations, not to overwhelm our host with the aura of our power by erecting forbidding fortresses.

The administration's proposed program will not solve all of our security problems, but we can minimize them. Our proposal is a comprehensive and long overdue security program which addresses our most basic security concerns.

Mr. Chairman, I would be pleased to answer any questions you may have.

Thank you.

Senator BOSCHWITZ. Mr. Secretary, I apologize for being a little late. It was at my request that the hearing was held early, and I simply got involved in about 1 hour and 10 minutes' worth of traffic on the way down here as opposed to the normal 25 minutes.

So my apologies for being late. Apologies also, Mr. Secretary, for being a little confused about some recent press stories that perhaps you can help me with. I read some material recently that the President's new National Security Adviser, Admiral Poindexter, is considered to be gaining some authority in the White House and speaking with confidence, while in another paper on the same day, he was reportedly not gaining that confidence, so I am a little con-

fused. And I noted in Time Magazine that you are no longer underestimated, and I was confused because I did not realize that you had been underestimated.

So it appears that the conduct of foreign policy, which is a pretty subjective game, is not being made any easier. I presume soon I will be reading that Admiral Poindexter is gaining an upper hand or a lower hand or something else, and I look forward to all of those stories.

Secretary SHULTZ. Do not be confused by what is written, Mr. Chairman. The situation actually is clear and is moving with dispatch and with a comprehensiveness and unity of purpose under the President's direction, and that is the reality. [Laughter.]

Senator BOSCHWITZ. Well, given the subjective nature of foreign affairs and given the difficulty of being extremely precise in evaluating some of the results, I think that as I look back over the years and try to evaluate where we have been and where we are and what the situation is at any given minute, I think that is a fair statement that you make.

Let me ask you about the facilities abroad and about the lines of authority that you spoke of in your testimony. You said that the administration's proposed legislation fixes overall responsibility and authority for management direction in the Secretary of State and, through him, the Ambassador.

This committee has to consider whether those lines of authority are clearly enough delineated. It would appear that the Bureau of Diplomatic Security, which is what is being created, has been separated from the Office of Foreign Buildings which will receive most of the budget that is part of this request.

Then there is also the Bureau of Administration in the State Department and that, too, is going to be part of the package. And then there is, of course, the Ambassador himself and one could always say that it all revolves or all comes to a pinnacle with you, Mr. Secretary, but as a practical matter, that cannot be the way it is implemented. But when you consider the new Bureau of Diplomatic Security which is sought to be formed by this legislation, the existing Office of Foreign Buildings, the existing Office of the Bureau of Administration, and then of course the Ambassador who is on the scene, how do you see all of this interacting? And concerning the Bureau of Diplomatic Security that is the new product of this legislation, is that going to be a further source of complication? How will you pull it all together?

Secretary SHULTZ. First, let me say that each of the bureaus that you mentioned reports to the Under Secretary for Management, who looks to the coordination, as needed, of their functions. Of course, each one has a special responsibility, and while there are overlaps among those responsibilities, they are also different.

The administrative job deals with a lot more, obviously, than security, although it will have its relationships. The Office of Foreign Buildings also deals, of course, with a lot more than security, although obviously the way in which things are constructed, designed and so forth, is one of the main things that we are talking about here.

The new Bureau will specialize in knowing about security considerations on the one hand and having operational responsibilities

for doing things that will be directly implementing security considerations and also providing in a sense a service, an essential staff service to me and to the ambassador.

So I think that we have tried to draw together the directly security-related matters and put them into this new Bureau, and we think that it is a fairly clean-cut set of administrative arrangements, and where coordination is needed, that will be done through Ambassador Spiers or the Under Secretary's office.

I might just note you did not mention the Ambassador at Large for Counter-Terrorism, and we have created that as a separate office. That is somewhat similar to the Inman panel recommendation, but not quite the same. We have elevated it somewhat so that it reports directly to the Secretary, and has the task of working at the policy level on the terrorism subject as such.

I might ask Ambassador Spiers if you want to add anything, since you are the coordinating point here.

Senator BOSCHWITZ. Mr. Secretary, let me just proceed just for a moment. I understand that the Bureau of Administration or the Office of Foreign Buildings would have a broader field in which to play than perhaps the Bureau of Diplomatic Security. They seem to be getting all the money.

Much of the testimony and much of our attention is directed at new buildings and new facilities and security that's going to be obtained in that way. And then, of course, in conjunction with that, there is the Bureau of Diplomatic Security, although it is not clear to me that they get much of the money.

Although they have different roles to play, to be sure, are we setting up just a competition among these various subagencies in the State Department, or should we include the Bureau of Diplomatic Security, rather, in the Office of Foreign Buildings? That is where most of the money resides, apparently. And would it be just as well to put it together under them, or is it enough that it just leads to the Under Secretary?

Secretary SHULTZ. I do not really think this is a problem or an issue. Obviously, construction is a major part of this because many of the buildings should be altered. In some cases, the location is simply unacceptable. So we have to have a new site and build a new building.

So that is construction, and the Office of Foreign Buildings will deal with that. But the Bureau that will be having its total preoccupation with security concerns and will have, obviously, a view and be very much a part of the construction program is the new Bureau. And if you just take it in terms of appropriations, of course, much of the appropriation has to do with raising the numbers of people and resources we devote in personnel terms to this function.

But I do not think there is any special problem in coordinating these activities and the fact that there is a major construction program involved obviously means that those who are responsible for construction will play a hand, but I do not think there is any bureaucratic warfare involved at all. Maybe that is an overstatement. There is bureaucratic warfare involved in everything around this town, but it is minimal here, and what little there is, Spiers will stamp out. You can be sure of it. [Laughter.]

Senator BOSCHWITZ. I think I would be more willing to believe that the conduct of foreign affairs in the world is proceeding along smoothly and with some direction than that there will not be bureaucratic warfare between these various agencies.

It is not unlike the statement that even though only 30 percent of the people in the Embassy are under the jurisdiction of the State Department, and the remaining 70 percent comes from other agencies, nevertheless there will be only one individual who is in charge.

I always am fearful when a new agency or a new area within a bureaucracy is created that we might slow things down.

Secretary SHULTZ. I think that this new Bureau will be very helpful to an ambassador because it will raise the quality of expertise that is available to him as he considers security problems, and it will increase the quantity and quality of personnel available to him to meet the security responsibilities that he has.

So I think it will be a definite aid for the Ambassador to use in exercising his responsibilities in this regard. You cannot give a person responsibilities unless you give him some tools to work with.

Senator BOSCHWITZ. That person would be an Assistant Secretary?

Secretary SHULTZ. One of the things we asked for in the legislation is the creation of that post of Assistant Secretary.

Senator BOSCHWITZ. The head of the Office of Foreign Buildings, that is also an Assistant Secretary, I believe?

Secretary SHULTZ. Deputy Assistant Secretary.

Senator BOSCHWITZ. And the head of the Bureau of Administration?

Secretary SHULTZ. That is an Assistant Secretary. That is Don Bouchard.

Senator BOSCHWITZ. Well, there are many subdivisions and there are many Assistant Secretaries already, I think close to two dozen. This may round it out at two dozen. So that is a concern that we would have.

Would the Bureau of Diplomatic Security also be in charge of the additional marines, the additional security personnel? I presume the Ambassador would be in charge of them, but in choosing or in developing the numbers of people that are necessary, that also would be part of the Bureau of Diplomatic Security's function?

Secretary SHULTZ. The Security Bureau would be in a position to offer the Ambassador advice on what a reasonable complement is and how it should work, and presumably their advice would be taken.

Senator BOSCHWITZ. So determination of the final number of security personnel will remain with the Ambassador himself?

Secretary SHULTZ. Well, the Ambassador himself, of course, being responsible, has a say in all of this; but the Bureau of Security will have the expertise to advise him on what is needed and how it should be used and why. And he would be rash to ignore such advice.

On the other hand, there may be local circumstances that he will want to weigh in with.

Senator BOSCHWITZ. Senator Pell.

Senator PELL. Thank you, Mr. Chairman.

I believe I am correct in saying you have about 16 bureaus now, of which only 3 have legislative underpinnings. That is Refugees, INR, and OES which came out of my own legislation. The others were set up by internal regulations.

In view of the fact that we trust the present wave of terrorism around the world is a temporary aberration and not a permanent situation, why is it that you propose setting up a new bureau on a permanent basis rather than coping with the problem for the period of years that we hope it will take before we work it out?

Secretary SHULTZ. I think we want to give the feeling that we are determined about stamping out terrorism and we have staying power. We are going to organize ourselves to deal with it in the best way we know how, and if it turns out that it disappears, as I devoutly hope it will at some stage, it will be easy enough to disassemble these things.

But my estimate is that what will stamp it out and then keep it stamped out is the deterrent capability that we put in place. Even as of now we know we can identify quite a number of instances of plots that were being hatched to assault one of our embassies in one way or another that we had intelligence about and which were abandoned because those who were doing the planning saw that somehow we had beefed up the security, and what they thought was going to be an easy target was not quite so easy.

So I think there will be a long-term deterrent effect.

Senator PELL. But you could function and implement all of your proposals without it being made a permanent bureau, is that not correct? You could do this internally, providing you had the funding?

Secretary SHULTZ. We can put things together in one way or another by an executive order, but we think that as far as the position is concerned, it needs authorization. We like to have the support that an authorizing committee gives by looking at this and agreeing with us that this is the way to go.

It is a form of consultation.

Senator PELL. But I guess what bothers me is, for example, the Bureau of European Affairs is set by internal order: yet we will be dealing with Europe permanently, in fact there are always going to be problems to deal with regarding Europe, although we hope eventually that they will be resolved.

Secretary SHULTZ. Perhaps it should be. This is a point that, I must say, has escaped me until you brought it up. But I guess by virtue of the fact that a new Assistant Secretary is brought before you and confirmed and appropriations are made and so forth, is congressional recognition of the post.

Senator PELL. Now, of the new personnel that are being proposed, what percentage of them will be used for the protection of foreign missions in the United States?

Secretary SHULTZ. This is Bob Lamb, our Assistant Secretary who is managing the Inman panel implementation in the new Bureau, and questions like that he is supposed to have the answer to on the tip of his tongue. [Laughter.]

Mr. LAMB. One hundred ninety of the positions we are asking for, sir. We are asking for a total of 1,200 positions over 5 years, so we are talking 15 percent roughly.

Senator PELL. Now, will this include all of the people protecting the foreign Embassies here in Washington, the Executive protection function?

Mr. LAMB. No. This would not be included with the Executive Protective Service functions. The Executive Protective Service is responsible for protecting the facilities themselves. They do not have the authority or the resources to provide protection for the Ambassadors or for the foreign diplomats.

Senator PELL. Then what is the relationship? It seems to me you have a wonderful example of diffusion here. You have got one government agency responsible for the building and another agency responsible for the people in the building.

Secretary SHULTZ. This was the subject of a great deal of discussion, and as far as we were concerned, we were quite prepared to have the Secret Service do the whole job. I do not want to be speaking for the Secretary of the Treasury, but basically I think the argument was—and I know when I was Secretary of the Treasury I felt somewhat the same—that their responsibility in protecting the President and the Vice President and heads of state who come is a tremendous responsibility, and they did not really want to take a chance on diluting it in any way by spreading themselves too thin.

I think that is basically their view. And so they wished that we, who also have, obviously, protective functions as to individuals, would do these additional tasks. So that has been worked out, and I think by mutual agreement with everyone.

Senator PELL. Why wouldn't the Executive Protective Service be the logical agency to handle this responsibility?

Secretary SHULTZ. Well, it is part of the Secret Service and there is a certain logic to doing it that way, and as I say, it has been debated. There is a definite difference between physical security and personal security and the kinds of things and expertise that are needed. And it was resisted by the Secret Service on the grounds that I have given, and I think the grounds that they give are good grounds. There is sound reasoning there.

So in light of it all, in discussion between myself and the Secretary of the Treasury finally, and in light of the Inman panel recommendations, it was decided to go this way, and I think, on balance, this is the right way to go, although there are arguments you can make for the other direction.

Senator PELL. And am I correct in saying that the Executive Protective Service is part of the Secret Service?

Secretary SHULTZ. Yes, sir.

Senator PELL. So the Congress could, if it wanted to in this legislation, move the domestic functions into that Service?

Secretary SHULTZ. Well, you could. I think it would be questionable whether the Congress would want to substitute its judgment for that of those responsible for administering this. I think you certainly ought to satisfy yourself, as you are in the process of doing, that the question has been thought about and that there are good reasons. But I should think you would have to be extremely dissat-

isfied with the judgment to want to delve into the management of the Executive to that degree.

But maybe you do.

Senator PELL. In a sense the State Department would be taking over almost a Pinkerton function, would it not?

Secretary SHULTZ. A what function?

Senator PELL. Pinkerton. Private detective function.

Secretary SHULTZ. Well, it is not detective work primarily. It is protective work with which, obviously, investigative and intelligence efforts are connected. The intelligence efforts, of course, are a part of our work, but primarily the domestic intelligence would be by domestic agencies.

Senator PELL. Would the new security officers be within the Foreign Service? Will they be a separate cone?

Secretary SHULTZ. They are a separate cone. I believe that is the concept.

Senator PELL. Do they take the career exam?

Secretary SHULTZ. They are part of the career service, and they would have, I think, a very exciting and interesting career cone for people interested in security, and obviously as they progressed up that cone, as is true of others, they would be eligible for the post of Ambassador or whatever, just as the cone system now works.

Senator PELL. I think you would have the administrative, economic, consular, and political and this would be a fifth cone, then, is that correct?

Secretary SHULTZ. Yes, sir.

Senator PELL. Thank you very much.

Senator BOSCHWITZ. Senator Evans.

Senator EVANS. Thank you, Mr. Chairman.

I was interested, Mr. Secretary, in your statement that 71 percent of our employees overseas are not part of the State Department.

Is that 71 percent all U.S. employees of other agencies, or are some of those foreign nationals who are employed in one form or another?

Secretary SHULTZ. That percentage is based exclusively on our American employees. I do not raise this percentage to question the importance at all of having our diverse agencies represented abroad to do the things they do, but only to show that, particularly when it comes to something like security, we have to have a cohesive and comprehensive effort, and so the Ambassador in doing that has to engage in a managerial task and be given the authority to do it over people other than State Department people.

I think also earlier, it was Senator Cranston who talked about the budget problem and having to cut down and so forth. I believe that we should. We are, believe me, looking very carefully, at the staffing of posts overseas and at whether or not we need the post; particularly if we see a post that will cost us a great deal to bring up to our standards in a security sense, we must ask do we really need to have it or can we provide that service in some other way?

So there are a lot of cost management questions that I think deserve intense scrutiny, not only by us but by the other agencies who have people abroad.

Senator EVANS. With that high a percentage of non-State Department employees and presumably everyone benefiting from the security efforts that you are about to undertake or that you are undertaking, should some share of the security appropriation or authorization be charged against other agencies, rather than all being charged against the State Department?

Secretary SHULTZ. Well, we think we should be responsible for carrying this out and administering it. When it comes to providing a service, then we think it is important that we charge appropriately for the service that is provided.

So that obviously an agency will pay the payroll of its employee, but what about the telephone bill and so on? And as you can well imagine, there is lots of discussion about how you properly allocate certain kinds of costs. So I think in principle, though, each agency should pay its fair share of the cost incurred.

On the other hand, if everybody has their own security budget, then we are going to get all fouled up. We think it is better to consolidate that.

Senator EVANS. But you wouldn't attempt to charge back to other agencies some share of the cost of the physical construction?

Secretary SHULTZ. No. I think we do it. Congress looks at what is requested and approves it. Then we carry it out for the benefit of everybody.

Senator EVANS. In our examination of incidents which have happened in recent years, oh, say the last 10 years worldwide, against diplomatic officers of other nations as well as those of the United States, what share of those attacks or incidents have been against embassies themselves or embassy residences, and what share have really been against diplomats when they are traveling to and from someplace, or when they are simply outside of any residence compound?

In other words, where are the biggest problems, based upon past experience?

Secretary SHULTZ. Well, I think, as your question suggests, there have been problems in various settings, but I would like Ambassador Spiers to comment on that.

Ambassador SPIERS. I think it is very hard to quantify just where these incidents have all occurred. I think more people have been killed as a result of embassy bombings, but I would say probably a third of them have been incidents that have occurred in transit, like Ambassador Malloy in Beirut, killed in a car; Ambassador Noel in Khartoum, killed in somebody else's embassy.

It is really very hard to give a precise answer to it, but I think in terms of total numbers it has been in embassy buildings, largely because of bombings.

Senator EVANS. Are you talking about only the United States, or about incidents against other countries?

Ambassador SPIERS. I am talking about the United States. The country that has probably had more of these kinds of incidents focused against it than any other have been the Turks. All of those incidents that I can recall against the Turks have been in automobiles or outside of embassy buildings, with one exception, and that was the attack on their embassy in Canada.

Senator EVANS. If in fact we beef up our embassy security and there is still a threat, and there are people out there who are interested in conducting terrorist activities, wouldn't the focus just shift at that point to the weakest link? And what are we doing about that?

Ambassador SPIERS. Well, this is a program that covers the whole span of threats as we see them. A large part of it is for residential security. A large part of it has been for armored cars, although that program has been, I would say, half completed.

The expensive element is the embassy buildings themselves because they are buildings that need to be designed and built from the ground up.

Secretary SHULTZ. I would add one other thing. Likening this to my private sector experience, one of the things that gets a lot of attention at an industrial plant or a construction job is safety at the work place. And you can take two plants or two construction jobs that are more or less the same in terms of size and equipment used and so forth, and see startlingly different safety records.

The reason for the difference is that in one case, a real effort has been made to make people safety-conscious with all sorts of little things that they do that make a large difference on the job.

I think the same is true here. Obviously, we do not want to scare people to death. On the other hand, if they are a little more conscious of the security problems, then they will notice things that perhaps they would not notice otherwise. They will have patterns of behavior that are a little different. They will avoid some things that are not necessary to do and so on. Through the imparting of this consciousness, in addition to all of these physical things we are talking about, a better job is done, just as in a plant, safety is improved a lot by awareness.

Senator EVANS. There are several elements in here that are aimed at developing your implementation plan and the policies that go along with that. And they appear to be aimed at getting the job done rapidly and efficiently.

You mentioned the upgrading of construction contractor qualification requirements to ensure that they have the financial, organizational, and technical qualifications. You also mention the importance of allocating sufficient resources to onsite construction, oversight and inspection to be sure that buildings are constructed to required standards.

Leaving security itself aside, haven't we had considerable problems along that line in past years with our construction projects?

Secretary SHULTZ. Yes, we have. And I think the efforts being made here are proper to do, with or without the security program. But we bring them out especially because here we are talking about undertaking something that is unusual in its volume and scope.

So we felt that we ought to look carefully, especially carefully, at the way it is going to be managed and that you would want to look at that, too. So I must say, coming from the construction business myself, it is elementary that when you get ready to go for bids, you construct a bidder's list. If you are going to go for a low bidder it has to be a qualified bidder.

The worst thing you can have on a job is to get halfway through and find that the contractor was not qualified and winds up going bankrupt. And there you are; you are left with it, and that has happened and we want to avoid that.

Senator EVANS. I just hope we place an equal emphasis, beyond financial organization and technical qualifications, on understanding of the local customs and traditions and the problems that are inherent in building overseas. Hasn't that really been the focal point of a lot of our problems?

Secretary SHULTZ. Yes, sir. Well, there are lots of first-class U.S. construction engineering and A&E outfits that are very experienced abroad and have operated successfully, brought projects in on budget, on time, and know how to work with local subcontractors and so on. So I think there is a lot of expertise that we can draw on and we intend to draw on it, as I say in my statement.

Senator BOSCHWITZ. Senator Helms.

Senator HELMS. Thank you, Mr. Chairman.

Mr. Secretary, there are some news reports out this morning that the Israelis have forced down a Libyan commercial airplane.

Do you have any comment on that or do you know about it?

Secretary SHULTZ. I have not heard that, Senator; no.

Senator HELMS. I have been delayed, Mr. Chairman, because I had to submit our Agriculture Committee budget, and I am trying to get the final details on that. If I revisit anything you have already commented on, please just say so, and I will look at the record.

I did a quick calculation. I believe you are calling for about 1,300 new positions for security purposes; is that correct?

Secretary SHULTZ. Yes, sir.

Senator HELMS. In light of Gramm-Rudman, what are you going to do about eliminating other costs, or have you contemplated that?

Secretary SHULTZ. I am in the midst of a special effort within the State Department to scrub everything on a kind of zero-base budget basis. We have to look at whether we need all the posts there are; whether the posts need to be staffed in the way they are staffed. If we are going to construct something that is secure and very expensive and size it, recognizing the larger the number of people involved, the more expensive it is going to be, then we had better look and see what it has to house and work on that.

And not only us, but we have to get the other agencies to look at that, too, and so on, through our effort. I think we have to put the people—the question is, is this trip necessary, really?

Sometimes I think half the Department is flying around somewhere and a lot of trips are necessary, but not necessarily all of them, and so on. No detail is going to escape our notice, I hope.

Senator HELMS. If it's any consolation, Mr. Secretary, I think it goes on in all three branches of the Government, particularly this one.

I was in Tel Aviv last summer with Senator Hecht. We went to the chancery there, and I think you will agree that in the light of the present security situation that the chancery there is very poorly located. It is right on a sidewalk, and one of the least attractive sections of the city.

I see that your program calls for about \$84 million of construction for a new chancery. Where is this chancery going to be built?

Secretary Shultz: I have been there, too, and I have looked at that chancery and I have looked at some alternative sites that have been proposed, some of which appear to be attractive, although they also have some downsides, but a decision has not been made.

Senator HELMS. No decision made yet?

Secretary SHULTZ. No, sir.

Senator HELMS. That raises a question with me, and I am a little sensitive to it as a result of the visit. If we build a new structure in Tel Aviv, what will that do to Israeli claims that Jerusalem is the capital?

Secretary SHULTZ. I will speak for myself. Any move of our Embassy in Tel Aviv I approach with great reluctance. I would personally rather stagger through, if possible, and keep it there. But at the same time, you do have to face the fact that the Middle East is a tumultuous part of the world. I think the Israelis give us very good cooperation and protection there.

They knock themselves out to help us and have done a variety of things there. But it is a problem and you pose a very sensitive issue for us.

Senator HELMS. It is sort of a damned if you do and damned if you don't situation.

Secretary SHULTZ. It may be that we can—well, I will not say any more about it.

Senator HELMS. Well, I do not know whether you can hold off until this whole problem of Jerusalem and Samaria is solved, if it ever is.

Secretary SHULTZ. I would like to feel that it is somewhere near, but it is very tough, as you say.

Senator HELMS. Who has final say in an embassy over security policy?

Secretary SHULTZ. Well, I think we have to put ourselves in the position where ultimately the Ambassador does. On the other hand, he operates within a policy framework and with advice and expertise available to him, and if he wants to do something that, let's say, the regional security officer feels is just not wise, I am sure that will get questioned. And if it comes to that, it would wind up no doubt in my lap.

But we want to have a clear line of responsibility directly to the Ambassador who is in a sense the captain of that ship out there. And it is one of his prime responsibilities to manage things so that everything is done that we properly can do to look to the security not only of ourselves but of other Americans who are there, private citizens.

I might say that we have formed an Overseas Security Advisory Council of private representatives and companies that operate abroad. We work closely with them. So we are recognizing that we have some responsibilities and we can also gain knowledge and expertise from an interaction with them.

Senator HELMS. How about the military attaches? Do they have a role in this?

Secretary SHULTZ. Yes, sir. They are part of it. The military percentage of our total employees is only slightly smaller than the

State Department percentage. I think our percentage is around 29 percent; the military account for about 27 percent.

Now, I think we have to distinguish between what goes on at an embassy and a military base. At a military base the security of the military base is the responsibility of the military, and obviously the commander coordinates with the Ambassador and the Ambassador is the senior U.S. representative, the President's personal Ambassador in the country.

But we distinguish between the military people assigned to the Embassy on the one hand and the people at a military base on the other.

Senator HELMS. I guess most of us have not given much thought to security, except in a superficial way.

What qualifications should a security chief at an Embassy have? Is he a civilian normally?

Secretary SHULTZ. I am going to ask Mr. Lamb to respond to that, since he is in charge of this. But we are attracting and want to attract very good quality people to come into this work, and we want to create an environment where they can see a good career with a chance for a variety of types of assignments and a chance to progress.

So a genuine career exists and we want people who, if they progress up the ladder, would be the kind of people that you would consider to be an ambassador.

So they need to be high-quality people, and I see quite a few of them, and I can say as the young people come in, they are. But, Bob, maybe you would comment on this.

Mr. LAMB. Yes, sir. We have 225 security officers overseas, sir, and they are security professionals, State Department employees, civilians. They are responsible in the Embassy for really a much wider range of security functions than most people think. They are responsible for background investigations, protective security details for the Ambassador and any other people at the mission that need protection, the physical security of the Embassy itself, and the counterespionage program at the Embassies, which is a very important aspect to us.

Of those 225 a number, roughly 50, are security engineers, professional people working on technical and computer security for our Embassies.

Senator HELMS. How many of them are foreign nationals, if any?

Mr. LAMB. None of the regional security officers are foreign nationals. We do have some foreign nationals in some countries working on background investigations and some liaison work with the local police.

Senator HELMS. Is that generally helpful to you?

Mr. LAMB. Yes, sir; it is generally helpful. We need some local language capabilities. It has its obvious limitations as well.

Senator HELMS. Thank you, Mr. Chairman. Thank you, Mr. Secretary.

Senator BOSCHWITZ. Mr. Secretary, we will briefly go into another round of questioning. I have one or two, and I know that Senator Evans has one or two. And also Senator Pell.

I wonder how other nations have reacted to the problems that we are discussing this morning and what they have done. Their problems, in some instances, are probably as intense as ours.

Secretary SHULTZ. Other nations have similar problems to ours, although I think it is fair to say that U.S. facilities have been something of a target abroad and so we have some special needs here in terms of the efforts of other countries, of course, when we are abroad.

I recognize this is a little off from your question. When we are abroad, we have to depend on that country basically to provide the external security for our Embassy. It is their responsibility, just as it is our responsibility to a diplomatic mission of another country in the United States, to look after reasonable security problems that it may have. And in order to be sure that we get the attention we think we deserve, we have to do our job here.

Ron, maybe you would comment.

Ambassador SPIERS. I think we see an increasing interest on the part of other governments, particularly governments which are either allied or have a particular concern about the terrorist threat, and what we are doing, I find a number of people from other embassies in Washington—I just returned from a trip in the South Pacific. In every country I visited, I had extensive discussions with the host government people on security. They are all concerned about it.

They are looking to us for a kind of leadership. They are very interested in what we are doing. I think that we will see an increasing number of other governments developing programs of their own for embassy security that are going to be largely patterned on what we are doing.

Secretary SHULTZ. One of the things that has developed that I think is very important is the improvement of our intelligence capabilities about terrorists and the improvement of the intelligence capabilities of other countries, and then the improvement of our links. That has enabled us, the President said the other night, to abort or stop somehow some 126 such terrorist incidents in the past 14 months.

That is not all because of our intelligence. It is the interaction of everybody's intelligence. And so this sort of thing, in addition to particular programs, is important. We have had a program managed by the post of our Ambassador for Counter-Terrorism of having people come here from other countries and we say what we are doing and they talk about what they are doing, and that is a mutual exchange.

I think we have had some 40 countries or some such number come and engage in a pretty intensive back and forth.

Senator BOSCHWITZ. Well, you answered another question I was going to ask about what we have done in the interim before these buildings are built, so I would turn to you, Senator Pell.

You said you had some additional questions?

Senator PELL. Thank you very much. I believe, Mr. Secretary, you said there were about 225 security officers now in the field. These would be people who have not taken the Foreign Service exam, I would think. Is that correct?

Secretary SHULTZ. That is correct.

Senator PELL. And earlier you said you expected the people in the new cone, the security cone, to pass the Foreign Service exam. Is that really correct, or will there be a special kind of exam for security officers?

Mr. LAMB. Sir, these people do not pass, or are not required to take the standard Foreign Service exam. We have a separate examination procedure for them which is very selective. We felt that we needed to test for a different set of skills for our professional security officers than from the Foreign Service officers generally.

Senator PELL. I just wanted the record straight, because I think earlier the impression I got was that you said they would take the Foreign Service exam, and that would not be correct.

Secretary SHULTZ. There would be a difference and there is a difference in the specialty, but there is also a career that people can follow. And as they do and their general capabilities emerge, we would consider them just as eligible for general top posts as anybody else.

Senator PELL. Another point. The legislative underpinnings of the present bureaus vary but in the case of OES, which I recall vividly, the reason we gave it legislative underpinnings was because a series of Secretaries of State, starting with Secretary Rusk, decline to make it a bureau, and some of us felt it should be a bureau, and that is why we gave it the legislative underpinning.

In this case it is just the opposite, and I am really wondering if you have thought it really through whether you want to give this the tremendous permanence that is implied, and I would question that.

Finally, there is a thought here, and I would ask unanimous consent it be inserted in the record at this point, a breakdown of the Government personnel who are overseas, showing as you said that the State Department is about 30 percent of the total.

Senator BOSCHWITZ. Without objection.

[See appendix.]

Senator PELL. In this regard shouldn't it be thought out that these agencies which pay the cost—and you didn't have to ask for it under your budget—if you are only 30 percent of the people, it seems to me you should only carry 30 percent of the cost; and that the American Battle Monuments Commission or the TVA, both of which have people overseas, plus other Government departments, should pay a proportion of the cost?

Secretary SHULTZ. Well, we think that there are certain facilities that the Government wants to put in place, like building a building. And the most effective way to do that is to tell some agency the State Department, whose job it is to lead our representations overseas, and to do it on behalf of everybody.

So in the process of designing this program, we have consulted heavily with all of the other agencies involved and there are so many I would have to read off the list, but I have got it here. But it is not just the ones you would think of offhand.

We have consulted everybody and tried to understand their needs and to have the program recognize this, but I think that in terms of what you might call the fixed costs, responsibility should be given to us and we do it. But then there are all sorts of operat-

ing costs for which they budget. They should pay for their share, and they do.

We probably think they should pay more.

Senator PELL. They do pay their proportionate share now?

Secretary SHULTZ. Operating costs. Yes, sir. We think they should pay more, but I do not want to say that they pay fully what they should.

Senator PELL. But they do not pay the capital costs. That would be entirely covered by State.

Secretary SHULTZ. That is covered in our budget. I would say it is a Government cost that we administer on behalf of everybody.

Senator PELL. I guess what I am trying to figure out is some way where you who have the responsibility here—financial and administrative—should have some say in determining the number of people abroad, in order to reduce the number of targets abroad, you should be able to reduce the number of people abroad, particularly from other agencies.

Secretary SHULTZ. Well, we talk a lot about this, particularly now. And obviously everyone operates under the direction of the President, and we can have a coherent approach to this. And there are some places where the threat is high and where we discuss it carefully and try to design what we think is a minimum presence, as for example in Beirut right now.

And we control that very, very carefully and everybody agrees it should be done.

Senator PELL. Thank you very much.

Secretary SHULTZ. I might say, Mr. Chairman, that you said you had a question about what we have been doing and we have a whole panel full of exhibits, charts, talking points, and so forth that Mr. Lamb is prepared to go through with you.

Secretary SHULTZ. If we do not go through it, we would like to put the charts and all in the record, because I think it shows you a terrific amount of effort that has been underway for the last couple of years.

Senator BOSCHWITZ. If you could turn that so that we could see it.

Secretary SHULTZ. We have a set of charts to give to each member.

Senator BOSCHWITZ. Senator Evans wanted to ask an additional question.

Senator EVANS. I hate to get down to the levels of detail that we probably should not, but just as an example, attached to the committee report here is a list of the acquisition and maintenance of buildings abroad.

Secretary SHULTZ. What?

Senator EVANS. The acquisition and maintenance of buildings abroad budget for 1986 and 1987. The 1987 appropriation request is for a little over \$1 billion, but in looking at some of the total project costs, I am just curious about their size.

We have got an office building, chancery, on the Ivory Coast for \$40 million; an office building in Lima, Peru for \$68 million. That is a pretty hefty office building even in Washington, DC, isn't it? And I guess there is one that particularly stands out that is listed as senior officer residence purchased in Canberra, Australia for

\$6½ million. That is a pretty good senior office residence if that is all that it is.

Senator BOSCHWITZ. We would like to be transferred. [Laughter.]

Secretary SHULTZ. I will ask Ambassador Spiers who has just come from Australia to respond to the Canberra question on the question of cost. Obviously, we want to keep them down and we want to do some things that are needed, and not more than are needed.

It is the case that when you build in all of the security dimensions and when you make provisions for communications equipment and worry a lot about counterintelligence aspects, you have run the costs of the buildings up very considerably over what it would cost you to build a sort of standard commercial building. I think the rest is almost doubling as a result of these features that we feel must be a part of the process.

So those are big numbers, but we have scrubbed them and I have tried to describe here a process for going about it.

Do you want to comment on the \$6½ million residence?

Senator EVANS. I do not know that we have ever had a Secretary who has got as much experience along that line, and I suspect you are not going to let much by you.

Ambassador SPIERS. I am not acquainted with the \$6½ million thing, but on the cost of buildings, we have done a lot of figuring on this, and the cost of building a building abroad that is comparable to a building in Washington is about four times the cost when you put in the hardening, the setback. This includes communications equipment and public access controls, and the special protection for communications equipment. All of these are considered in the cost.

And those are very, very expensive characteristics.

Senator EVANS. Do these total project costs include all furnishings and all of the amenities, everything that is necessary for the building?

Ambassador SPIERS. It includes all furnishings, yes.

Secretary SHULTZ. There are not any residences, Mr. Lamb informs me, in this special budget request. I would like to look into that. That does not sound right.

Senator EVANS. No, it sure does not. So you say about four times Washington, DC prices. And what are Washington, DC prices; \$200 a square foot, something like that?

Ambassador SPIERS. We have taken a typical office building with a 60-pound floor loading, square foot cost about \$65, and we are assuming 100,000 square feet; that is \$6½ million.

When we add all of the additional factors in for security that building ends up costing \$15.8 million, \$158 per square foot. Now, that includes special heavy floor loading, reinforced concrete walls, energy conservation, full sprinkler fire protection, computer rooms, communications center, isolated power systems, emergency power backup, special roof work for communications, perimeter wall, the extra site requirements to give us the 100-foot setback.

All of these things are built into those costs, so that the \$65 per square foot just does not really apply to embassy buildings built overseas.

Senator EVANS. I think it is important to have what the costs of this are in the record so people do understand it. In terms of general construction costs, if you were to build an equivalent building, in, say, Africa not necessarily with all of the security requirements, the normal tendency is to believe that construction costs will be a lot lower there because of low-cost labor. But that is not true, is it?

What would be a general construction cost index comparing Washington, DC and African or Asian capitols?

Secretary SHULTZ. It varies a lot around the world, Senator.

Senator EVANS. Well, I am sure it does.

Secretary SHULTZ. And, of course, you have differences in technique and the rate of pay is typically lower, sometimes a lot lower. But typically also, the practices are such that many more people are employed to do a given thing, and there are all sorts of differences, I know.

One of them, going overseas once to look at some jobs and seeing the kind of bamboo scaffolding that went around some of these high buildings, I shuddered. They would never pass muster around the United States. And so we try to put safety, U.S. safety thinking into the overseas jobs, but if it is totally out of kilter with the culture, it is hard. And so you find a tremendous variety.

Ambassador SPIERS. Many places, you have to import U.S. labor, particularly for the sophisticated communications center construction work.

Senator EVANS. I assume that you have to be particularly cautious and careful in the actual construction of buildings to ensure that someone does not slip in some listening or other types of devices.

Ambassador SPIERS. Constant surveillance. We have an FBO man on site, maybe more than one. And then when you get to the sensitive areas, that is done by Americans.

Senator EVANS. Thank you, Mr. Chairman.

Secretary SHULTZ. Which is very expensive, because you have got to bring people over and pay the premiums and so on. It is very costly.

Senator BOSCHWITZ. We will review this enormous increase that occurs in 1987. Some of it I presume, is connected with security; to build the \$44 million building in Belize seems quite expensive, but we will review these, and we thank you for making this a part of the submission.

Are there any more questions?

Senator PELL. I have one last question. Would it be of advantage to use Seabees for the building there, rather than using private construction and subcontracting?

Secretary SHULTZ. We use Seabees quite a lot and we have a very good working relationship with them, and much of the security enhancement has been done with the help of Seabees. So we have a real good working relationship with them.

On the other hand, we think some of these major contracting jobs probably should be done through the private sector.

Senator PELL. Thank you.

Secretary SHULTZ. Mr. Chairman, I appreciate the hearing, your strong interest and concern about what is going on, and your readiness to consider this request which those of us who man these posts

or who are responsible for manning these posts feel is very close to home. We appreciate your consideration.

Senator BOSCHWITZ. We thank you for coming, Mr. Secretary. We apologize for the sparse attendance at these hearings. You have sent most of our members off to the Philippines, so that the sparseness of the attendance does not indicate any lack of interest in this program.

We think that the people that we send abroad deserve our protection and that it is in the national interest.

We agree with your approach that the embassies should not become fortresses, but remain accessible, and we will look in these periods of budget stringency with great care at these budget requests, sympathetically in this case, because of the need.

Secretary SHULTZ. Mr. Chairman, could I ask that this set of charts that we distributed be made a part of the record with the accompanying text which gives a little review of things that have taken place.

Senator BOSCHWITZ. You will submit a text?

Secretary SHULTZ. The text is with it, so if we could just submit that.

Senator BOSCHWITZ. Fine. It will be submitted for the record in color and all.

See appendix.

Senator BOSCHWITZ. We thank you very much for coming.

[Whereupon, at 10:40 a.m., the hearing was adjourned, subject to call of the Chair.]



DIPLOMATIC SECURITY ACT

WEDNESDAY, APRIL 30, 1986

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The committee met at 10:03 a.m., in room SD-419, Dirksen Senate Office Building, Hon. Richard G. Lugar (chairman of the committee) presiding.

Present: Senators Lugar, Kassebaum, Tribble, Evans, Pell, Biden, Sarbanes, Zorinsky, Cranston, Dodd, and Kerry.

The CHAIRMAN. This hearing of the Senate Foreign Relations Committee is called to order.

The committee meets this morning to consider the administration's request for \$4.4 billion in supplemental authorizations. This request, which covers 5 years beginning with fiscal year 1986, would pay for an extensive program of security for U.S. Government employees overseas, their families, the posts at which they serve and for foreign diplomats here in the United States.

The administration's request was originally introduced as S. 2015. The House subsequently passed an omnibus diplomatic security and antiterrorism bill which is H.R. 4151. The first four titles of the House bill deal with the diplomatic security request which we are considering today.

The need for a strong response to the threats of terrorism is evident. Over the past several years, we have seen repeated attacks on Government personnel and buildings. The threats to our communications security and classified information are not as well publicized but are very important considerations in our overall security planning.

The Advisory Panel on Overseas Security, chaired by Adm. Bobby Ray Inman, has assessed threats to security and some of the measures that can be taken to reduce or eliminate them. The work of Admiral Inman and his colleagues is a very important contribution to our understanding of terrorism and how to deal with it.

The administration's security supplemental request addresses issues raised by the Inman Panel and seeks to implement a program of physical and technical security worldwide. The committee had the opportunity to hear the distinguished Secretary of State, George Shultz, describe the program in testimony to the committee on February 4.

The committee and staff have studied the request in great detail since the Secretary's testimony. We have talked with representatives of the State Department and other agencies represented overseas.

Over the recent recess, staff members visited some posts scheduled for security improvements in the supplemental and regular budgets. We have also had the benefit of a General Accounting Office draft report on embassy security. We have talked to many private sector representatives about the Department's plans for construction and management of the new program.

This matter has been given so much attention because the protection of the people who represent the United States overseas deserves top priority. I know that this concern is shared by all my colleagues on this committee. It is particularly important at this time of tight budgets and scarce resources that the programs which improve physical security are top priority. We need to identify those programs and those countries in which the need is greatest and spend the money there.

Nonessential programs should wait. The Department should give full consideration to putting security needs above items in the regular budget which could be postponed.

We also need to look very closely at the cost of many of these requests and see where savings can be made. I was pleased to see that Secretary Shultz has made a strong commitment to scrubbing the budget of unnecessary costs.

I want to stress that our main reason for scrutiny of the budget is not simply saving money, but saving lives. Money wasted on one program takes necessary resources from other important projects. What we are doing here reflects the wishes of many Foreign Service officers and overseas Government personnel by putting resources to the best use in protecting their families and their colleagues.

The State Department represents only about 30 percent of the personnel in the overseas pool. Yet, it is responsible for security concerns of the agencies that make up the other 70 percent.

To coordinate this large and complicated program, the administration has asked for authority to create a Bureau of Diplomatic Security and a Diplomatic Security Service. We have invited here today senior officers of the Department of State who are responsible for the security program and the construction and renovation of U.S. missions overseas.

The committee is pleased these officials have accepted our invitation: Mr. Ronald Spiers, Under Secretary for Management; Mr. Robert Lamb, Director of the Bureau of Diplomatic Security; Mr. Richard Dertadian, Deputy Assistant Secretary for Foreign Buildings; and Mr. David Fields, Director of the Diplomatic Security Service.

I will ask all four witnesses to testify and respond to questions. We likewise would appreciate the responses to questions that may be submitted by members in writing to the panel.

Before asking Mr. Spiers to commence testimony, I would call upon the distinguished ranking member of the Foreign Relations Committee, Senator Clayborne Pell, for his opening statement.

Senator PELL. Thank you very much, Mr. Chairman.

During Secretary Shultz' testimony in February, I remember stating that I fully support the concept that our diplomats should be provided all the security necessary to carry out their vitally important functions.

At the same time, we cannot allow ourselves to develop a fortress mentality and to avoid all contact with the public. The challenge, therefore, is to balance the question of security on the one hand with the desirability of the openness of access on the other.

We must keep in mind, too, the problems that are being created by the Gramm-Rudman-Hollings Act. Because of that act, we're

currently considering on the Senate floor, a budget resolution severely restricting any increases that can be made in the State Department's appropriations account for security purposes.

The budget resolution will limit such increases in the Department's 1987 fiscal year operating account to \$500 million in budget authority and \$100 million in budget outlays. These figures appear unrealistic in light of the administration's supplemental security request for 1986 of \$706 million and its fiscal year 1987 security request of \$1.4 billion.

At some point during this process, we will have to reconsider and balance the disparity in these numbers. I hope this hearing will highlight the portions of the administration's request that are absolutely essential.

As I stated in February, for this security request to successfully pass the Congress, it must be lean and free of all marginally beneficial elements.

Thank you.

The CHAIRMAN. Thank you very much, Senator Pell.

Mr. Spiers and all other witnesses, all of your testimony will be made a part of the record. To the extent that you are able to summarize those statements, we will be able to proceed with the questions and flow.

I do not know the floor situation in terms of interruptions for votes. We hope that there will be mercifully few of those this morning, but for the moment we will proceed with your testimony, Mr. Spiers. We welcome you as always to the committee.

STATEMENTS OF RONALD I. SPIERS, UNDER SECRETARY FOR MANAGEMENT, DEPARTMENT OF STATE; ROBERT E. LAMB, DIRECTOR, BUREAU OF DIPLOMATIC SECURITY, DEPARTMENT OF STATE; DAVID C. FIELDS, DEPUTY ASSISTANT SECRETARY FOR SECURITY, DEPARTMENT OF STATE; AND RICHARD N. DERTADIAN, DEPUTY ASSISTANT SECRETARY FOR FOREIGN BUILDINGS, DEPARTMENT OF STATE

Mr. SPIERS. Thank you, Mr. Chairman. We all appreciate the supportive remarks we have just heard from both you and Senator Pell.

I do have a longer statement that I would like to submit for the record and then a brief oral summary which I would like to present on behalf of all of the four of us, and I think then we are prepared to go directly to questions.

As you have said, Mr. Chairman, we are here today to discuss the President's proposed program to improve the security, physical and technical security, of all departments and agencies abroad, except for military bases, as well as the physical security of foreign missions and officials in this country.

This proposal is the product of long, arduous work to which many agencies have contributed and which is intended to meet their varied security requirements.

Before I go into the specifics of the program, I would like to take a brief overview of the total picture. In putting this program together, Admiral Inman and the rest of the panel members envisaged a new look for the Department of State's Security Bureau.

They foresaw a need for a professional bureau whose officers are second to none, whose technical capabilities and counterespionage efforts are state of the art, whose counterterrorism efforts are efficient and, above all, effective; and, of course, people who can assure the construction of sound buildings.

As you know, the President has recommended enactment of a 5-year, \$4.4 billion program to these ends, a program with two fundamental elements.

Overseas construction in the amount of \$2.7 billion, and the balance in salaries and expenses, a category which includes residential security, perimeter security of posts, countering electronic penetration of our facilities, guards, security personnel, training, armored cars, replacing foreign national employees with Americans at our posts in the Soviet Union and Eastern Europe.

This program is designed for the benefit of more than 20 agencies of Government and their personnel. The administration is proposing 1 consolidated coherent program rather than 20 and has chosen to assign responsibility for it to the Secretary of State. That is why all of it appears in the 150 account.

The President included this program as a high priority item in his budget despite the financial problems confronting the country. On March 17 he wrote to the Foreign Affairs Committee of the House:

Americans serving overseas need adequate protection to carry out their mission safely. This is a year of great budget stringency, but the well-being of our people is of utmost importance. That is why I have included this vital security program in my budget for fiscal year 1987 as one of our highest foreign policy priorities.

The central element of this program is the proposed overseas construction. That is the largest construction program the Department of State would ever have undertaken and of course it raises certain fundamental questions: Can we do it? Are the costs reasonable? What are the costs of not doing it?

First, the administration concluded that we could handle this program. This conclusion was reached on the basis of our Foreign Buildings Office performance in building the offices authorized in the fiscal year 1985 supplemental. Of the 13 projects, all are substantially on time and on budget, except for 2 where we have been unable as yet to obtain appropriate sites.

This is a good record which results primarily from major management initiatives in FBO, including use of a modified program manager system and computerized project control systems for scheduling and monitoring performance.

In addressing the proposed the 5-year security construction program, we are moving to a full program management system within FBO, using private sector program managers to extend our control of time, quality, and costs.

Now, the cost of this program is high. It is high because we are not building ordinary office buildings but, rather, special purpose buildings, designed to meet unusual physical, technical communications, and security standards.

These standards, ranging from the size of the site, to blastproof construction, to sophisticated communications and security systems result in projects which cost on the average twice as much to build as a similar sized office building.

Indeed, these buildings are more appropriately compared to hospitals or secure and hardened command and communications control facilities than to ordinary office buildings.

The Office of Management and Budget has worked long and hard with us on the estimated costs of the proposed security program. These are estimates. In my opinion they are probably conservative. For example, changing technology could force technical security costs up over the next 5-year period and property costs can also be expected to rise.

The administration thinks that these cost estimates are realistic, but I want to be clear that they are estimates and must remain that way until each project is undertaken.

You referred, Mr. Chairman, in your opening remarks, to the Secretary of State's commitment that he personally is going to be looking at the cost levels in these programs as we proceed into the appropriations process.

Another key part of our proposal is the request for necessary resources to upgrade the level of professional services we afford our personnel. You will remember that Admiral Inman testified to you about the critical need to reorganize and centralize the security functions in the Department so that management of security programs is enhanced.

We did this last fall when we created the Bureau of Diplomatic Security through reprogramming. Secretary Shultz stressed the importance we placed on this new Bureau's funding and staffing. If we are to manage present and future security programs effectively, we must have a strong and capable resource base.

Thus, our request for increased staffing and additional resources is central to the physical security enhancement projects that we are proposing.

If the security program is underfunded, the consequences are fairly clear. Our personnel, their families, our national security information, would have to accept an undesirable degree of risk.

Events over the past 2 weeks have dramatically reminded us of the vulnerability of our people and facilities overseas. In this short period of time alone, we have witnessed no less than nine separate attacks against U.S. Government personnel or facilities.

Communications officers in Khartoum and Sanaa were shot. Our chancery in San Jose was bombed. A car bomb exploded outside our Ambassador's residence in Lima. Yesterday, an explosion occurred outside of our Ambassador's residence in Santiago.

An explosive-laden car was discovered before it exploded outside our chancery in Mexico City the other day. Lethal attacks, bomb threats, demonstrations, and surveillance have literally doubled.

Credible reports on terrorist surveillance of our people and facilities overseas have skyrocketed from 8 reports in January, 13 in February, 30 in March, to 60 in April. These reports are strong indicators that the terrorist war is not over and indeed may be just beginning its escalation.

We can also expect that as our security is increased for our personnel and buildings, terrorists will be more likely to go for the soft targets, such as dependents, schools, and U.S. business interests abroad. These, too, have to be the subject of our policy concern.

Faced with that situation, we would have to consider closing more exposed posts and accepting the consequent loss of needed foreign information which we believe is necessary to keep pace with our foreign policy responsibilities.

The costs to our security of such a retreat would be high, but there would appear to be no real alternative.

The administration is, of course, strongly opposed to such an outcome. As illustrated in the President's budget, the administration believes that the international affairs function and related security are extremely important; so important that they warrant an increase in resources despite the current budgetary situation.

Mr. Chairman, if I may take one moment on a related topic, I understand that you plan to hold hearings in May on the other matters which the House added to the administration's original security improvement bill. I would just like you know, however, that title VIII of that bill, the hostage relief portion, is legislation which would affect my area of responsibility and was requested by the administration.

It is strongly supported by the administration. Title VIII would provide compensation to American employees who are taken hostage, as well as medical and educational benefits to their family members. These benefits are modeled on those provided by the Hostage Relief Act of 1980.

In addition, the bill ensures that we can compensate adequately family members of employees or foreign national employees who are injured or killed in a terrorist incident when such an injury is the product of their relationship with the U.S. Government.

We believe that this legislation is important to meet our obligations to employees or family members killed, injured, or taken hostage while in service to their country. Moreover, by enacting permanent legislation to provide for such protection to victims of terrorism, we go far to give our employees and their family the psychological support and assurance they need to work in increasingly dangerous environments.

Mr. Chairman, we are at your service for questions.

[The prepared statement of Mr. Spiers appears in the appendix.]

The Chairman. Thank you very much, Mr. Spiers. We will commence questioning with 10-minute limits, and may have additional rounds after the initial 10 minutes for Senator Pell and myself.

Let me begin the questioning by simply asking if you can give us an update on the condition of embassy employees in Sudan and North Yemen who have been shot in recent incidents and tell us whether local authorities have been able to identify the attackers?

Mr. SPIERS. My information on the physical condition of the two victims is about 24 hours out of date. Mr. Pollack who was shot in Sanaa is in much better shape than Mr. Calkins who was shot in Khartoum. Mr. Pollack was operated on in Sanaa before being evacuated to Germany. The bullet wounds were fairly mild and we expect his recovery.

The incident in Khartoum where Mr. Calkins was shot, the damage was much more severe. The prognosis—he also was evacuated to Landstuhl in Germany. He has been operated on. The prognosis for his recovery from fairly severe paralysis is quite dim.

As far as the situation is concerned, we have some information that the Yemenis are on track of the people who shot Mr. Pollack. They appear to have some rejectionist PLO contacts, but the information is still not conclusive.

We have no real information on the perpetrator of the shooting in Khartoum. I have to tell you that my own view from reading the intelligence on it is that there is a Libyan connection here. The Sudanese and the Yemenese have both been very cooperative with our people in the investigations.

That is about I can tell you about those two incidents.

The Chairman. Thank you very much, Mr. Spiers.

I am certain that you and your colleagues have weighed the criticism that, in our preoccupation with security, we are creating fortresses as opposed to embassies. You point out in your testimony, that in the past Embassies were designed to be open, often in downtown areas, with street access for many functions in addition to the diplomatic ones that are performed in embassies.

What are the trade-offs between enhanced security precautions—100-foot offsets, reinforced walls, perimeter guards, etc.—and the ability of our embassies to perform their traditional functions? What are the likely non-financial costs of such a security preoccupation?

Mr. SPIERS. I cannot do better, Mr. Chairman, then to go to the kind of comments that the Secretary of State makes on this. In the first place, these are embassies that we will have designed from scratch. We have worked with the National Research Council of the National Academy of Sciences to design an embassy of the future and in those kind of circumstances the security measures which are built in from the beginning are much less obtrusive.

If you visited our embassy in Portugal, for example, you would see something that is much different than an embassy that is older and that has had a succession of armor platings added to it successively over the years.

The Secretary of State makes another point that I find quite persuasive, and that is that people feel much more secure in a protected building. So that I do not see that the tradeoff is as heavy as first glance at this problem would indicate. It does not need to look like a fortress if it is designed carefully from the beginning.

Second, the Secretary of State likes to say people that visit USIA libraries, for example—it is very much like flying on an airplane—you feel much more secure studying and working there if you know that reasonable security precautions have been taken, that people are monitored in going in, that what they bring in with them is looked through carefully, that there are physical protections built into the building.

I think that the 100-foot setback—I mean that is like the Capitol Building which has much more than 100-foot setback, and I do not think disturbs it. This is an expensive thing to buy sometimes, particularly when you are building in urban areas where land prices are high. But all in all, we feel that what this will do is make buildings that people are more content to work in and visit and do business in.

The CHAIRMAN. Could you describe what enhanced security preparations are being made by other countries? Are comparable efforts

occurring with our allies or the Soviets? What sort of activity is there along diplomatic rows in countries throughout the world?

Mr. SPIERS. I cannot be too exhaustive on this. I know from my own experience overseas that security has been a heightening preoccupation for other governments.

I recall in Ankara, the German Embassy had much tighter security, including German sharpshooters posted on the grounds. They had at least 100-foot setbacks which was about four times what our embassy in Ankara had.

Most of the embassies that I have seen being built now by other countries tend to take security into consideration. I know that even the Soviets have been worried about security. More and more of them are going to compounds. In a lot of the underdeveloped countries, the idea of a diplomatic enclave is gaining currency.

That is certainly true in the Middle East. It was true in Islamabad which was my last post, so that I think that you will find an increasing preoccupation in the diplomatic services around the world in this security problem.

The CHAIRMAN. When the Inman panelists addressed the idea of security for our embassies, they pointed out that no amount of money can guarantee complete protection against terrorism. If we are successful in hardening the sites of our diplomatic activity—and you've touched upon this just a bit—will this not direct the activities of terrorists toward isolated Government employees business personnel, American tourists who are abroad?

Mr. SPIERS. I think it is a reasonable expectation that that could be the case. Nevertheless, I would say a couple of things about this.

One, is that embassies tend to be the physical exemplar of the United States and, therefore, the most highly prized targets. If you hit an embassy, you're hitting something that represents this country, and, of course, hitting an embassy, you can do more damage because there are more people there.

Nevertheless, we regard this as a much wider problem than construction. And that's, in a sense, a reason why construction is not much more than half of the funds that we are requesting.

We have got a wide range of programs; we have armored cars, we have residential security, we have perimeter security, we have got training, we have got enhancement of our personnel here. We have developed liaison with the business community.

We have established Overseas Security Advisory Committee, in which the chief security people of American business corporations that have worldwide interests join with us periodically to discuss and exchange views on the subject.

Schools are a matter of concern to us, where we very often have to ask governments for particular help with schoolbuses and guarding the schools. But fundamentally, your observation is correct.

The Chairman. Mr. Spiers, as I have mentioned, staff members of this committee have traveled to some of our post overseas in order to examine some of the security needs proposed in the Administration request. Admitted, staff focused only on a small number of the administration's proposals. But there are some proposals that seemed to us to be quite disturbing for the moment. For example, the Department had budgeted \$2.7 million for the Ambassador's residence in Somalia and another \$6.7 million for 10 senior officers'

residences there. In another situation, the amount budgeted for a land purchase appeared to be some 10 times the value of that land.

We noted that the security supplemental request contains a \$107 million item for furniture and a backup computer system for the State Department, as well as a figure of \$33.5 million for an embassy in Belize. To what extent have you or the Secretary personally scrutinized the line items in this request?

For the moment it appears to some of us that several of these figures are way out of line and we wonder to what extent this sampling might be indicative of the entire proposal.

Mr. SPIERS. Well, let me say first that we welcome the visits of the committee staff; this is helpful to us. We cannot visit all posts, and they have discovered things that we have not always known about.

On some of the specific things that I would mention—just deal with that you mentioned—Belize, for example. Now this is a case where the capital is being moved to Belmopan; so that we have to build a new facility. This is in our regular budget; it is not in the security supplemental. It is not part of the program that we are proposing here.

But we would want to build that building to meet the Inman standards, and that is a costly enterprise. The furniture—you are correct—that the total figure is about \$107 million. I would point out that about half of that are things like blinds, curtains, lighting fixtures—other internal accouterments.

And when you think that we are talking about 70-plus buildings, the \$50 million figure for actual furniture and furnishings while it is certainly high, I do not think is that much out of line.

Somalia—again, what we had thought of doing was putting everything together on a compound; if you did that, that would require a building of a new residence for the Ambassador. But I have got to tell you: Personally, I would not authorize the spending of—what is it?—\$2.7 million for an Ambassador's residence in Somalia.

The CHAIRMAN. Or the \$6.7 million for the other?

Mr. SPIERS. That, I would have to look at more carefully. That sounds quite high to me.

But Somalia is a very, very high-cost place to build; it is a place that does not have many accouterments. It may be very hard to find appropriate places. But I can certainly tell you that we would not spend that amount on an Ambassador's residence.

The CHAIRMAN. In summary, you would be willing to work with our staff attempting to answer some questions and provide more economy?

Mr. SPIERS. No doubt about it. I would say generally on the subject, Mr. Chairman, the Secretary of State's charge to me was to take the Inman panel recommendations and cast them out. He approved all the Inman panel recommendations except two or three. We went to him and said, "This is what it is going to cost. "That is a lot of money. And I even cut that down by \$1 billion by arbitrarily taking some figures out of it.

He said that is what he wanted to go with. And one of the subjects that comes up frequently in these hearings is the problem of Contoncu. Contonou was taken out of the budget before it was presented.

But here is a case of a dilemma that we face. We have an embassy there; it is not a big country. But has a big Soviet presence. I think a continuing American presence in that country is important. We are in a building that we have to get out of.

We are going to try to find something that we do not have to build. But if we have to build it, the Secretary of State's view is that that should meet the security standards, because there is no place that you can be guaranteed to be totally safe. We do have priorities; we have discussed these with the committee staff. But generally our guide rule has been if we have to build a new building, we should build it to meet the Inman standards.

The CHAIRMAN. Thank you very much.

Senator Pell?

Senator PELL. Thank you, Mr. Chairman.

And thank you, Secretary Spiers, for your succinct, full and telling statement and for getting quickly to questions, which I think interests all of us here.

I noticed throughout your statement that you were referring to embassies and the Ambassadors residences. When we read the word "embassy," we should take that to mean what used to be called chancery; am I correct?

Mr. SPIERS. You are quite correct, Senator.

Senator PELL. When it comes to furnishing—buying these new residences and furnishing them for them—I understand there is a Buy American Act, and you cannot buy furniture and supplies on the local market; is that correct?

Mr. SPIERS. We prefer to buy American products. And under the Buy American Act, we have restrictions; I am not sure whether there is a percentage differential on furniture as there is on buildings. There is a 50-percent—unless you can get it 50 percent cheaper from foreign sources, we have to buy American.

Senator PELL. I remember once opening a consulate general when I was in the Foreign Service. In getting it fixed up, I found that one could buy furniture on the local market at about, I'd say, half the price what it would have been, or a third of what it would have been if shipped over from the United States.

Mr. SPIERS. It is expensive to ship it from the United States. In my last post, our Embassy was burned up and since the Pakistanis paid for it, we were able to get furniture made locally and it was much cheaper than it would have been to bring it from the United States, which we would have had to do if we were the payees.

Senator PELL. So in other words, if the differential is enough, you have the authority to buy in the local market?

Mr. SPIERS. Yes.

Senator PELL. Going to your legislation creating the new bureau and the new security service, I understand there are two parts to it: one, the bureau; two, creating the new service.

First, on the bureau—which, we hope, will not be a permanent bureau because we have gone through a couple hundred years without the necessity for this—why is it being enacted into law rather than being established under internal regulations which would give it more possibility of termination?

Mr. SPIERS. We would have preferred—one of our problems with the House version is that it does establish it by law, which was not

our proposal. I have the same reservation about establishing organizational units in the State Department by legislation because then you have to have legislation to change them.

What we did need was authority to create an Assistant Secretary position, and that does need to be done by legislation, and that was our proposal.

Senator PELL. Now in the manning of this new service, will you be bringing people in from the outside? You already, as I understand it, have some excellent senior officers who are available at this time, and I am curious where you are going to recruit from.

Mr. SPIERS. We are trying to recruit a new breed of security officers. Security will be a speciality like communications and medical offices. It will be part of the Foreign Service structure, but it will be especially within that structure.

Senator PELL. Would it be a separate cone, like political or consular?

Mr. SPIERS. It will not be a cone, per se. The cones apply to the generalists in the Foreign Service. It will be more like the communications, security engineers, medical personnel, data processing systems personnel. They will be specially recruited for this and they will be, as are others, able to compete with other people in the Foreign Service in the promotion system.

On the up-or-out question, I take it your question is why do we not use some of the senior officers who are over complement here. One of the accomplishments that I am fairly proud of in the 2 years that I have been in this job is we had 120 over-complement officers when I arrived. We are now down to less than 30; and most of those people are waiting to be heard by this committee for confirmation as Ambassadors or something like that.

Senator PELL. But the people going into the new security service will be basically younger people trained in security?

Mr. SPIERS. Yes, they will.

Senator PELL. I believe you are planning to close a certain number of consulates and also that you are giving consideration to closing even more for budgetary reasons.

Could you furnish the committee a list of those that you are planning to close and also the list of those that you are considering closing?

Mr. SPIERS. Yes, sir. The seven that we proposed to close and which we have informed this committee of are Trieste, Bremen, Nice, Salvador da Bahia, Rotterdam, Seville, and Winnipeg. We propose to proceed with those.

We have done some contingency planning, but it depends on how the budget comes out. We do not want to close any more posts, and it is only if the budget situation forces us with the seven we had to close, we are not in response to any congressional action; it was a response to the cuts that OMB made in our budget requests for this year.

Senator PELL. Well, as you may recall, there was a group of consulates before under the previous administration that they wanted to close, and it was because of congressional action that decision was reversed. The cost of closing and opening and closing and opening a post is quite substantial.

My own view and I think that of others, sometimes, is that it is a mistake to close these little consulates in which costs are negligible and which give you a presence at a peanut's cost, and here we are presuming you are not going to engage in building up these little consulates into fortresses.

Mr. SPIERS. Well, I would say two things about that: I agree with you on the consulates; they tend to be the capillaries of our information gathering system, and they are important—even very small ones.

However, if you do not have the money, you have got to make choices on what you do. Personally, and the Secretary of State's position is the same, that rather than make percentage cuts across the board which will mean that we are trying to do the same things and doing them less well, we should cut out missions, if we are forced into this by the budget process.

Of course, we do not know what the situation will be, as far as the State Department's budget is concerned, until the Congress has acted. We have done some contingency planning, including looking at a substantial number of posts. But we hope that we will be able to avoid that situation.

Senator PELL. Would you be able to furnish this for our own information, though, a list of contingency planning posts?

Mr. SPIERS. I would be happy to do it, Senator, on a classified basis because obviously none of the governments concerned or the people in any of these posts know that they are being considered.

Senator PELL. Understood.

How are you reconciling the different needs of agencies like USIA and AID and Commerce for greater public access with the security needs? Will they all be in different ends of the same building? Different buildings? How are you resolving that?

Mr. SPIERS. We have a very close consultative arrangement with the other Foreign Affairs agencies—Dave Fields on the right, chairs an overseas security policy group which consists of his counterparts from all of these agencies—and all of the security decisions that affect more than just the State Department are considered and agreed in that committee.

We are well aware of the special requirements that other agencies have and particularly USIA and our consular people, where access is important. And there are various ways of dealing with this, and I do not think it is an insuperable problem.

As I was saying earlier, I do not think that you have to make choices between building an impenetrable fortress or foregoing all access. I think that you can have a prudent measure of security and still maintain accessibility to the public or the people that need to have access to these facilities.

Senator PELL. Will there still be any satellite reading rooms or will the reading rooms—USIA reading rooms—all be within the chancery?

Mr. SPIERS. My understanding is that there will continue to be satellite reading rooms, libraries.

Senator PELL. With, presumably, less security, but greater availability.

Mr. SPIERS. Yes. Yes, but still with a measure of security. As I said earlier, we think that is something that is desired by the people who use these facilities.

Senator PELL. And all of those reading rooms are manned by Foreign Service locals as well.

Mr. SPIERS. Yes. Although a lot of them, particularly in satellite areas, are manned by Foreign Service nationals.

Senator PELL. Could you provide us in the committee, on a classified basis, your threat assessment on each of the different posts?

Mr. SPIERS. Yes, sir.

Senator PELL. What would be the major differences between your recommendations and those in the Inman report?

Mr. SPIERS. Well, the two that are major—that Admiral Inman's panel recommended the adoption of a capital budgeting procedure. This is something that we discussed long and hard within the State Department, and I was pretty much in favor of it. The Secretary had some reservations about it. But in any case, it was determined that this would be so controversial within the U.S. Government that attempting to get a position on it would delay the thing a long time.

The Secretary said if he was still Director of OMB, he would not be against it. I think he thought that other people would be, too. So we decided to proceed with the regular processes, but to ask for a multiyear authorization to avoid the kind of problems that we have had in the past which tended to escalate cost where you have to keep coming back for the money for the same project.

The other major recommendation which was not acted on was Inman's recommendation that the political aspects of counterterrorism be placed under the jurisdiction of my counterpart for political affairs, Mike Armacost; the Secretary did not approve that, and he wanted the position established and a direct line of responsibility to him so that we have created the position of Ambassador at Large for counterterrorism, and in due course we will be submitting a nomination for that position.

Senator PELL. Thank you.

Mr. SPIERS. There are several other minor ones, but they relate to radio programs and the like.

The CHAIRMAN. Thank you, Senator Pell.

Senator Kassebaum.

Senator KASSEBAUM. Thank you, Mr. Chairman.

I would like to skip my turn at this point, if I may, and just listen for a while.

The CHAIRMAN. Very well.

Senator Biden.

Senator BIDEN. Thank you, Mr. Chairman.

Mr. Spiers, it is always a pleasure to have you before us. I mean that sincerely. You are one of those folks in the State Department that speaks like you are not from the State Department, and I truly appreciate it.

There are two avenues I would like to pursue with you in my 10 minutes. The first is that you had indicated, with regard to the closing of consulates, that you have to make some hard choices. I agree with your view that, rather than cut across the board, you should make difficult choices.

I wish the Defense Department thought that way about weapons systems and I wish we in the Congress thought that way about a number of other things. But it brings me to the question of what is a big-ticket item.

This whole security side—-we are talking about \$2.1 billion in the next 2 years, if I am not mistaken; \$4.4 billion in the next 5 years. I do not begrudge that, as a Member of Congress.

You may recall I was one of the four Members—and they were all in agreement, actually—urging strongly that you just tell us what you want and we will try to get it for you, because our Foreign Service people are more in jeopardy physically than folks serving in the military if you look at the percentages of people who have been killed or maimed or impacted upon by this disease of terrorism that is spreading.

But I would like to talk about some hard choices and some priorities. You might not be able to answer all these in open session. If you just indicate to me if you would rather not and at the chairman's direction or inclination today, later, whatever—I would like not to do it in writing; I would like to get a chance to actually have some interchange with you on some of this.

Can you tell us what the priority items are in terms of the physical security requirements that most of this money is going for? Obviously, in your fiscal year 1987 budget you ask for \$56 million for Berlin, which seems to me cannot be quibbled with, in light of the level of threat and the importance of the post.

But you also ask for \$21 million to build a new post in Chiang Mai, in the northern provincial capital of Thailand, at this point, at least, not a hotbed of terrorism. I am not being facetious when I say that because a lot of places are not until the moment it happens.

Can you tell us a little bit about your priorities, how you arrived at them, and, in fact, what they are?

Mr. SPIERS. Yes; we do have a prioritization, Senator. It is classified, but I am happy to discuss it with you and any circumstances that you like.

We have three bands of priorities, both for the construction projects and the nonconstruction projects. I would really rather not get specific about that in open hearings. We do have threat assessments of all our posts so that we have tended, in the construction project, to attach the highest priority to reconstruction of missions and buildings in the highest-threat posts.

The second priority is for those in lower-threat posts where we have to build buildings. Before you came in, we were discussing Contonou, which Senator Kassebaum has raised with me in the past. And I said, "Here is a place where I have a hard time making a case that it is a high-threat post, but we have to build a building or we have to find a building to operate out of so that if we want to stay there, we have to make a decision as to whether we accept the cost of upgraded security standards—an amount of money which looks silly in a country of that size.

So we decided not to put that in the budget. But generally—

Senator BIDEN. You decided not to put that in the budget; that is, you decided it is better not to?

Mr. SPIERS. I am at a loss in how to deal with it because our people have to get out of where they are; we are going to make an attempt to find another satisfactory situation. It is highly unlikely it would begin to meet the Inman security standards.

But as I said, the Secretary's charge to me was that, with new construction, we should meet the Inman standards. And so those have tended to be the second rough priority.

On nonconstruction projects, some of the high priorities are the facilities that we need for protection of diplomatic personnel in this country. It has been a source of constant embarrassment to those of us who are in the professional Foreign Service and have been overseas in high-threat posts when we go to governments and ask for special measures of protection and they say OK, and generally they will do it right away; and then they say, "Look, we are asking for the same thing in your country." Well, we have had very limited ability to do that. And so that to me is one of the higher priority items in that.

Another very, very high priority item from the Secretary of State, which I think Senator Pell referred to in passing, is the construction of an alternate data processing center. We can be in real trouble, here in Washington, because all of our computer systems are sitting in a situation which is very vulnerable to power disruption, any kind of attack or sabotage, water, and the like.

We have built an alternate communications site in Beltsville. We want to expand that and have an alternate data processing center. Our memory is there and we can have a real disaster. And that is a high-priority item to us.

There are a number of things like this that would take a couple of hours to go through, but I am prepared to come and meet with you and have my colleagues discuss them.

Senator BIDEN. I would not ask the whole committee necessarily to do it, but if the committee has a similar interest to mine, fine. If not, maybe you and I can just do it. And keenly interested in this as we all are, it appears to me that it is presumptuous of me—but I guess that is what I get paid for—to make a judgment. It appears to me that the judgments you are making are correct ones. It appears to me that the criteria upon which you are making the judgments are the ones that should be the criteria. But I would like to quite frankly.

Let me go to the second concern that I have.

I am one of those folks who believes particularly in some posts around the world. The amenities that are available to Foreign Service officers are not particularly reasonable. They lack any real amenities, and I for one have not been reluctant in the past, as you may or may not know, to attempt to get more money in your budget to do things like what people might think are frivolous in Delaware, a swimming pool or whatever. I think that is important. We understand it is important for our military. I do not know why we do not understand it is important for our Foreign Service people.

But what I am a little worried about, and I would like you to speak to this, either to clear the air or indicate whether we have a problem, and that is that there is always a skepticism in Washington whenever there is a new venture undertaken that costs a lot of

money, whether it is building a Senate office building, that we will put in a Taj Mahal that no one knows about in a corner, and it is the same thing with this new construction.

There have been press reports, as you well know, relating to whether or not nonsecurity items, nonphysical security questions have been considered, and some of the requests lead me to this question, which is obvious, that is, whether or not the fight against terrorism is being used to do some other things like interior decorating, that do not legitimately belong in a proposal for security enhancement.

For example, why have you lumped into this request \$107.5 million for new furniture? Again, this is not a setup. I am not trying to be facetious. Can you tell us what the relationship of it is, and if it relates to this, the nature of this request, and if not, and if you need it, I for one will try to support getting it, but I do not want to erode public confidence about what we are doing about it. If you would speak to that, I would appreciate it.

Mr. SPIERS. I entirely agree with you on that. I dealt with this briefly before you came in.

Senator BIDEN. Oh, I am sorry.

Mr. SPIERS. I pointed out on \$107 million that was listed under furniture, that about half of that—

Senator BIDEN. If you already dealt with that, I apologize.

Mr. SPIERS. Well, you know, if you build a building and you are going to inhabit it, you are going to have to furnish it, and while we try to recycle as much as we can of old furniture, it is often not appropriate, does not fit, is worn out, and the like, so that as a matter of prudence we put in what is about \$50 million to furnish 70-some buildings.

There is one case which has also been subject to some criticism, and that is that one of the posts, Amman specifically, we proposed a swimming pool and a tennis court.

Senator BIDEN. It would take more than that to get me there.

Mr. SPIERS. In the case of the present swimming pool—I have been there—anybody can stand on the street and just with a light toss put a handgrenade in the thing, so that when we rebuild the compound there, we want to have some recreation facilities in it. That is the only case that I know of of this character.

Senator BIDEN. OK. Thank you. My time is up.

The CHAIRMAN. Thank you, Senator Biden.

Senator TRIBLE.

Senator TRIBLE. Thank you, Mr. Chairman.

I apologize for my late arrival. This is my third committee meeting of the morning, gentlemen, and if my questions go over ground that has already been covered, then please tell me and I will yield to my colleagues. This program will cost how much money, do you estimate?

Mr. SPIERS. Well, the proposal, the administration proposal is a total of \$4.4 billion over a period of 5 years.

Senator TRIBLE. Now, where will that money come from? What programs are you willing to give up in order to secure those necessary funds?

Mr. SPIERS. Well, what I have to do, frankly, Senator, is stick with the President's position, which is that he has submitted a

budget which includes these funds and meets the Gramm-Rudman \$144 billion target. Now, if that is not satisfactory in the Congress, the Congress has to decide its own priorities here and then discuss it on a macrobudgetary basis with the executive branch.

But I am not in a position to sit here and tell you—I mean, the State Department budget is quite small. Our operating budget is less than this. That we can take money out of our operating budget for security, because I do not believe it, and that is not a choice that I would make, but that is also not a choice that the President of the United States has made, and you have his proposal in front of you.

Senator TRIBLE. Well, that is a choice we will be forced to make, obviously. I think there is broad support for providing greater security for those people that represent us around the world, but at the same time there is zero support for spending more on the programs of your department.

Mr. SPIERS. We are not proposing spending more on the programs of the department. There are three or four new programs that the Secretary of State attaches importance to. One is opening a consulate in Kiev. I do not know how he will feel about that next week. The other is opening three Micronesian posts which are due to be opened pursuant to the Micronesian Compact. The third is the further rebuild of our reporting and analysis facility. And the fourth is the Foreign Service Institute in Arlington Hall.

Those are the only new programs that are in the department budget, and we will eat into ongoing programs to finance those.

Senator TRIBLE. Well, now, is it not true that much of the personnel that will be protected by these measures, further protected by these measures, are not Foreign Service officers per se? If that is the case, is it possible to have some burden sharing with other agencies?

Mr. SPIERS. Senator, this is like our communications system. We provide the communications, the buildings for all agencies of Government. That money by congressional choice has been appropriated to the Department of State. For a long time—we have had the foreign buildings program for years and years, and we have housed other agencies of Government.

It is true that the State Department now is 28 percent of the total American personnel in our diplomatic establishment, but the choice of both the administration and the Congress has been to make the State Department responsible for things like communications, buildings, and security, and therefore that money has tended to be appropriated.

Senator TRIBLE. It is fair to say, though, that this program would extend far beyond the personnel of the State Department?

Mr. SPIERS. Oh, yes; yes, indeed.

Senator TRIBLE. Well, I am mindful of the House vote recently, 389 to 7, supporting the \$4.4 billion package. I do not have any substantial question that we will also approve this program. But I think inevitably it will impact on a whole host of other programs, and although you are not in a position to address that reality, I think we are going to have to be mindful of that. It will affect a whole lot of other programs that this administration believes in

passionately, given the budgetary situation under which we now must operate.

What about the view expressed by many that all this will mean a lower U.S. profile, a withdrawal, the wrong kind of image for the world for our free and open society.

Mr. SPIERS. We are not proposing any withdrawal, Senator. Before you came in I talked about the seven posts that we are closing, but those are posts that we intend to close because OMB took the money away from us. And with a State Department budget that has been proposed as part of the President's budget submission, there would be no further post closings, and no further withdrawal.

Now, if that budget was cut, as I was saying earlier, then we would have to look at those.

Senator TRIBLE. How about the concern that we are turning embassies into fortresses and making services less available, or at least projecting the image of closed rather than open operations?

Mr. SPIERS. We had a discussion of that prior to your coming in. I tried to make the point, which I will reiterate very briefly, that that is not a necessary choice. These buildings will be designed with the security features an integral part of the building, and therefore they will be less obtrusive than in cases where they are added as a succession of afterthoughts. The other point that I tried to make was that generally people feel more secure as visitors, as applicants for visas, as businessmen doing business in buildings which they have a reasonable belief are protected, and many of our buildings now just do not have that. They are horrifying to look at.

Senator TRIBLE. Well, I will not take any more of the committee's time. Again, I am sorry I did not have the benefit of your statement, but I will certainly review your prepared remarks, and I wish you well. This is an important program, and it obviously has impact far beyond the question of safety for personnel.

The CHAIRMAN. Thank you very much, Senator Tribble.

Senator Zorinsky.

Senator BIDEN. Will my colleague yield for just 30 seconds? I must go to another hearing.

Senator ZORINSKY. Off your time.

Senator BIDEN. I have used my time, but I appreciate it. Did you say you cut \$50 million from the \$107 million of the furniture request?

Mr. SPIERS. I said only about half of that is what you would normally consider to be furniture.

Senator BIDEN. A second question. Would you be willing to meet with me if the committee chooses not to do this again to discuss this?

Mr. SPIERS. Yes, sir.

Senator BIDEN. Thank you very much, Mr. Chairman.

The CHAIRMAN. Senator Zorinsky.

Senator ZORINSKY. Thank you, Mr. Chairman.

In the interest of time, I ask unanimous consent that my prepared opening statement be put in the record.

The CHAIRMAN. Without objection, so ordered.

[The present opening statement of Senator Zorinsky follows:]

PREPARED OPENING STATEMENT OF SENATOR ZORINSKY

Mr. Chairman, with the Libyan terrorist network aroused and seeking vengeance against American targets, it is crucial to keep our security guard up. I will support legitimate requests to boost embassy security. But there's a big difference between keeping vigilant against terrorism and feathering already well-appointed nests of diplomats and foreign service officers around the globe.

I understand the \$4.4 billion request before us today includes \$107 million for new furniture, \$10 million to buy land in Uganda at \$250,000 per acre, \$6.7 million for residences for 10 senior officers in Somalia when there are only 5 there, \$2.7 million for a new ambassador's residence in Somalia, and 77 new State Department bureaucrats in Washington. There's even rumors of money for tennis courts.

The whole package amounts to a 30- to 40-percent increase in the State Department's budget at a time when Gramm-Rudman is slashing programs that benefit the average American. State, it seems, saw an opportunity to grab for the brass ring. Incredibly, it may have come up with a gold one.

Mr. Chairman, there are a number of unspoken issues confronting us today. One is that no matter what we spend for embassy security—\$1 billion, \$2, \$3, or \$4—we will not be able to purchase 100 percent security for our foreign installations or their staffs. There is no human way to do it. So there's nothing necessarily magical about the figure that the State Department has come up with. That figure represents the Department's best guess of what it will take to increase our Embassy security to an acceptable level of risk in the current climate of terrorist attacks. But it's just a guess. And I believe we ought to scrutinize it carefully.

Another unspoken but related issue is the political fallout from tinkering with the administration's request. Everyone here—even if no one will say it—finds it difficult to oppose any funding under the heading of "embassy security" or "anti-terrorism." Such reasoning led the House of Representatives just to pass this request as is.

However, we must look closer, leaving behind us the fear that if we force wise economies on this package that we will be blamed for any future failure to prevent a terrorist attack. We might as well sign on to the notion that terrorist attacks will continue. Unfortunately—tragically—one or more will succeed. We cannot defend against all of those attacks with all the billions in the world, and so it is all the more important that the money we do spend be directly related to security threats and in proportion to the risks. This is a difficult task when terrorist attacks are on the rise. But we owe it to our constituents and the taxpayers to do more than just say "yes."

Senator ZORINSKY. Thank you, Mr. Chairman.

You are, I am sure, cognizant of the fact that what numbers there are in this budget for upgrading the defensive nature of the American Embassies throughout the world, and particularly for protecting American lives, is the best guestimate of the State Department.

Nobody knows whether it takes \$1 billion, \$2 billion, \$3 billion, \$4 billion, or \$5 billion, and no matter how many billion, no assurance of 100 percent protection of American lives can be given. That is why I think there are a lot of unspoken issues here that have to be scrutinized very carefully, because these are guestimates.

For instance, is there any concern in the State Department that with the preparation of this type of antiterrorist, physical structures for the embassies we will just be transferring the terrorism from an Ambassador's place of work to the Ambassador's home?

Mr. SPIERS. We had a little discussion of this earlier, and one of the points that I made is, yes, that as you harden the most obvious targets, you tend to heighten the risk to less obvious targets, but what we are proposing here is a full across-the-board protective system. We talk about rebuilding 60 to 70 embassies, but a lot of these funds are for domestic protection, not just of ambassadors but of the whole staff.

Senator ZORINSKY. Does this proposal, for instance, consider in any way a suicidal air offensive against an embassy, a bomb in a plane, or a remote drone?

Mr. SPIERS. No, sir. There are things that we have not figured out how you can protect against, and an airplane is one of them.

Senator ZORINSKY. Not even an airplane. The drones are very popular over there now, with remote control flight.

Mr. SPIERS. It is a problem that has occurred to us.

Senator ZORINSKY. I am sure it has occurred to the other people, too.

Mr. SPIERS. Well, I hope before you mentioned it, yes.

Senator ZORINSKY. Let me ask you this. Is it true that legally the plans for any of these buildings can be obtained for \$1,000 from the foreign building office?

Mr. SPIERS. Yes, sir. And that is not something that gives us concern, one, because you cannot really build a building unless you have plans under any circumstances. You are going to have local labor working on them, and the things that we attach importance to protecting are the internal security systems, which are only put in by cleared American personnel, and the plans for those are not available.

Senator ZORINSKY. I remind you that what made successful the Entebbe raid by the Israelis is that an Israeli contractor built the airport, and he obtained the plans of the airport, gave them to the Israelis, and that is what enabled them to get in there as efficiently as they did.

Mr. SPIERS. But Entebbe did not have many security systems, either, and our embassies will.

Senator ZORINSKY. I would like to ask you what type of controls or inspections do you have to prevent waste, fraud, and abuse in your construction projects? Any time you throw money at a problem, there are people waiting to catch that money and siphon it off and rip it off.

Mr. SPIERS. All I can tell you is, Senator, that we have a very active program inspector general, and by Congressional action a new position has been created of audit inspector general. That position has not yet been filled because the White House has not made its nomination.

Senator ZORINSKY. Do you take in several bids, for instance, and compare them?

Mr. SPIERS. I would like to ask our director of foreign buildings operation to describe the process we go through.

Senator ZORINSKY. You do not have to do that. Just answer the question if you do take bids.

Mr. SPIERS. Yes, we do take bids.

Senator ZORINSKY. How about in the area of engineers and architects? Do you get one you trust and you like and go with him?

Mr. SPIERS. Well, we go with the lowest bidder, the lowest qualified bidder.

Senator ZORINSKY. Not necessarily. I will find you some architects and engineers that you have used when you have not taken bids, if you want me to.

Mr. SPIERS. I know. FBO has a bad record. That is what we are changing.

Senator ZORINSKY. They are considered professionals, and I went through this with that group before. A lot of them do not give bids. They just say, you do not go to a doctor and get bids, and you do not come to us and get bids. Are you going to make a practice of that?

Mr. DERTADIAN. We advertise twice a year for anyone, any architect and engineering firm interested in participating in our program. We get quite a few responses. Those people are reviewed in terms of their experience, qualifications, history, and so forth. We have an architectural advisory panel which works with us. It is a panel of three distinguished architects, and reviews the recommended architects for a specific project. We elicit more detailed information from those organizations. Three are recommended out of the group that are considered, and in the State Department a panel of State Department management chooses one. Now, we are making considerable—

Senator ZORINSKY. Is that before they give you an estimate as to the cost?

Mr. DERTADIAN. No, the cost is a cost we then negotiate.

Senator ZORINSKY. After you pick the one?

Mr. DERTADIAN. After we pick the one.

Senator ZORINSKY. That is the point I make. That is not a sealed bid process in the public interest. Sealed bids requires one against the other, and therefore the price is driven down by the unknown until the bids are open. You are saying one is selected, and then, you negotiate the price. I have had that done to me as the mayor of a city.

I had the same thing, a screening committee selection process. One firm was chosen and then they would then split it up amongst themselves, so whatever one got the contract could give you a good price, and the next one made it up. You do not take sealed bids, then. Is that what you are saying?

Mr. DERTADIAN. I understand your concern, sir, but as you well know, having been involved, it is not like a construction bid on a multimillion dollar project where you can really get relevant competition.

Senator ZORINSKY. But, you see, these are public tax dollars. If I want to throw my money away, it is nobody's business but mine.

But I think we have a fiduciary responsibility to protect people whose taxes are being used.

Mr. DERTADIAN. So do I, sir. We have been working with architects for 50 years. We know what it costs. We have a very good idea of what it is worth. When we negotiate, we negotiate. We do not let somebody just give us a price and say, well, that is what it costs and you have to pay us that. I think we get very competitive costs in terms of the architectural and engineering contracts that we let.

There are other considerations which are becoming very important in selecting architects and engineers. One is their experience in security, in designing for security and designing for special purposes. And that has to be taken into consideration in the selection in addition to reasonable cost for the work.

Senator ZORINSKY. Well, let's talk about selection. How do you guard against something like this, or do you? One of the firms bidding for the new regional embassy in Oman, the Consolidated Contractors Co., is headed by a Palestinian business executive who serves as Yasser Arafat's representative. Now, he is going to get your plans and your blueprints? If he is awarded the contract, he is going to build it. Then, you are going to call in the special security people at just the right moment so he will not know, although he is building the building, he will not know where anything is at. That boggles the mind.

How do you guard against a front for some other group getting a contract? Do you go into the background and investigate areas like that?

Mr. LAMB. Sir, I do not want to speak to the specifics of the CCC in Oman because there is a question about the accuracy of some of that information. The truth of the matter is that we do security clearances on companies that bid on our projects, and we would not give the bid to a company that did not pass the security clearance, but we are building these embassies in some of the most hostile environments in the world in every respect, and we recognize that it is very difficult to protect those plans in some of those countries.

Think of the problems behind the Iron Curtain, for example, and we make sure that we protect those parts of the building plans that we need to from the point of view of the security systems that go into it in the sensitive areas. That work is all done by cleared Americans.

Senator ZORINSKY. In the final analysis, your testimony here indicates a sincere desire to provide as great a degree of security as possible, but it does not mean a damn if the guy who is actually going to do it down the line does not do it.

It is like the people in the Soviet Embassy that hired Soviets to put bugs in our typewriters. They said this will never happen, it cannot happen, it really has not happened. But it did.

Mr. LAMB. May I just say one thing on this? We are deadly serious about this, sir. We are playing with people's lives out there. We want to make these buildings safe, and we are taking every measure that we can to make sure that those buildings are protected and the plans are protected.

Senator ZORINSKY. Thank you.

The CHAIRMAN. Thank you very much, Senator Zorinsky.

Senator Kassebaum.

Senator KASSEBAUM. Thank you, Mr. Chairman.

I think it is obvious that a risk-free environment really cannot be guaranteed, and I suppose the most one could hope for is that common sense and effective analysis has been our guidance. I would like to say, Mr. Spiers and Mr. Lamb, you both have tried to be very responsive to questions that have been raised, and one question that I have is in response to an article in the Post, Mr. Lamb, that you mentioned that there had been a shift in terrorist tactics largely because many had been frustrated in being able to get through embassy security, and I thought of the situation in the Sudan, for instance, where one of our personnel was walking, and you indicated that it may take a different type of security such as armored vehicles or lightly armed cars.

Is this included? Is there money in here for that type of security?

Mr. LAMB. Yes, ma'am, it is. Public attention is focused most in this budget on the security construction program. In fact, it is a very balanced program. It includes, for example, \$72 million in 1986 for residential security which has become increasingly urgent to us. There are measures for that.

Senator KASSEBAUM. For instance, armored cars?

Mr. LAMB. Yes, ma'am. There is an armored car program in here as well.

Mr. FIELDS. That is correct. There is some money for a position to run that program, Senator. We have an ongoing program that was funded by the Congress in 1985, in our 1986 security supplemental, and we are providing more and more armored or lightly armored vehicles in and around the world.

Senator KASSEBAUM. So you feel there is sufficient funding that would cover any of your needs in that area?

Mr. FIELDS. That is correct. What is in here under the residential security program, which is new and which we have not yet had funding for, are some costs for vehicles to provide in very critical, dangerous situations transportation for our employees.

Senator KASSEBAUM. Do you feel that this package is flexible enough to allow for shifting tactics? Is it such that you can move in such a way that you can address perhaps a different situation that might arise?

Mr. SPIERS. We would have to do it through reprogramming, but certainly that is possible, and it is what we would do.

Senator KASSEBAUM. Is that a request that has to come to us?

Mr. SPIERS. Reprogramming, we send a letter to the four committees concerned, two in the House and two in the Senate, and if you have an objection or problems or questions about it you let us know.

Senator KASSEBAUM. The other question I have is on the personnel increase. I believe it is 1,271.

Mr. SPIERS. Yes.

Senator KASSEBAUM. And it is not necessarily to question those positions over 5 years, but it is how I understand that this is budgeted. It is my understanding that you estimate \$300 million per year for the security supplemental will cover and will be a permanent part of the state budget, but that those personnel costs will not be included in that amount. Is that correct? And that this would reflect a continued growth of the bureaucracy in the overall

State Department budget that has not been factored out over a period of time in the security supplemental?

Mr. LAMB. I think that grows out of a misunderstanding, Senator. In fact, the supplemental budget proposal that is before you includes all costs associated with these programs for the full 5-year period, including the salary costs. The salary costs are in the budget.

Senator KASSEBAUM. And become a permanent part of the State Department budget?

Mr. LAMB. Yes, ma'am. They are reflected in the \$4.4 billion.

Senator KASSEBAUM. Well, that is not the information that I had, and I am glad that clarifies it because there was an indication that if these were not included, it could add about \$10 billion to the State Department budget, with that increase in personnel.

Did you say this is not a problem?

The CHAIRMAN. It is included in the budget.

Senator KASSEBAUM. Thank you very much.

The CHAIRMAN. Thank you very much, Senator Kassebaum.

Senator Kerry.

Senator KERRY. Mr. Chairman, I share with my colleague, Senator Zorinsky, and others, some concerns about this budget. I have expressed them and have written a letter along with Senator Pell asking some questions about it.

As the Senate staff has been investigating the budget and trying to get a handle on what these requests mean, we have begun to discover what one might call facts, but certainly reports that have come back to us that raise even further questions.

There is not a person here who is not concerned, obviously, about security. And I think this bill has a life of its own, as evidenced by the House vote. Now with recent events there is obviously going to be a momentum and it becomes a very difficult thing being put in a position and saying, where is the money going? Is this all worthwhile?

And yet the reports keep coming back that at least forced me—and I am sure some of my colleagues—to want to have a better sense of exactly where it is going and why and how. I am not as sanguine as you are; I am not an expert, but I am certainly not as sanguine as you are that the availability of plans does not make a difference.

I do not know, really, how you can say so calmly that the availability of those plans—I see you nodding your head now; maybe you are in agreement that it does somehow make a difference—but it seems to me that that is of concern and it is not something we should simply dismiss.

As people who have suffered through this process have said on many occasions, if you have the plans, you know the layout of the building, you certainly have choices available to you that you did not have before.

But let me come to some of the more critical kinds of questions which really go to the essence of my concern, which is why we should have confidence in this request. And I am not sure that I do have confidence in it, as it is currently proposed, and I cite some of the following:

Estimates on a land purchase for \$10 million for 3 acres in Kuala Lumpur; by most accounts, that is an extraordinary amount of money for 3 acres anywhere.

Mr. SPIERS. It is not 3 acres; it is 40 acres.

Oh, in Kuala Lumpur; I am sorry.

Senator KERRY. That is in Kampala; I am going to ask about that next.

First I want to know about the 3 acres, \$6 million for 3 acres?

Mr. SPIERS. This is in a downtown area around our present embassy, and it is like Athens, where we are trying to acquire land, in order to give us this setback without having to relocate or rebuild the embassy.

Senator KERRY. I understand we are building a number of them without the setback right now.

Mr. SPIERS. It is our objective——

Senator KERRY. Are we or are we not?

Mr. SPIERS. There are places where the setback is not possible.

Senator KERRY. Right now.

So we are proceeding ahead without it?

Mr. SPIERS. Actually, these are programs that were begun before the 100-foot setback was adopted. These were things that were started in the Middle East.

Senator KERRY. Well, we are not going to have a 100-foot setback in London in Grovesnor Square, are we?

Mr. SPIERS. There is no way to get a 100-foot setback in Grovesnor Square. You would have to relocate that Embassy to 20 miles outside London. There are cases where it is not possible; where it is possible, we are going to do it.

Senator KERRY. Is there not a trade-off about level of threat in a particular country, type of terrorist history in that region, other kinds of issues that ought to enter and not sort of a hard-fixed rule in every case? We are going to have a 100-foot setback?

Obviously, London, it seems to me, is one of the prime places you ought to have 100 foot.

Mr. SPIERS. Our Security Bureau can make exceptions to the 100-foot setback and other security criteria if there is common agreement, and that is recorded in writing. And there have been cases where that is done per force.

London—I agree with you. It is a high-threat post.

Senator KERRY. What about the nature of the threat in Kuala Lumpur? Does it merit a \$6 million expense?

Mr. SPIERS. Kuala Lumpur is a place where we did have one of the earliest terrorist incidents.

Senator KERRY. But current intelligence, the current perception of that threat; does it lead you to believe that perhaps an alternative site cannot be chosen?

Mr. SPIERS. Well, we have a very new embassy at Kuala Lumpur that has only recently been constructed. And what we are trying to do is to purchase or acquire expanded land around that embassy in order to give us this kind of a setback.

Let me ask Mr. Lamb——

Mr. LAMB. When we put this budget together, we tried to look at alternatives to building Embassies. Building Embassies is expensive and we only decided to build an Embassy where the building itself

did not meet—fell substantially below our security standards and where the threat was at least a medium threat or above. And in every case, we looked at alternatives to building.

In some cases we found that we could simply acquire more land around the existing building and provide the kind of security of need. Kuala Lumpur is an example of that.

Senator KERRY. I do not argue with that, and I think you know, again, I want to repeat: Everybody here is sympathetic to what is trying to be done. But look at this issue of \$10 million for 40 acres in the capital of Uganda.

The Ambassador there came back and reported that for one tenth that amount, land could be purchased. Now that is not the only example of that.

Mr. SPIERS. But that is what the newspapers said; but we cannot find the Ambassador having said that.

Senator KERRY. You do not know where your own Ambassador is?

Mr. SPIERS. We know our own Ambassador.

Senator KERRY. He does not say that now?

Mr. SPIERS. We have certainly been unable to identify any such quotation you might add to this Kampala situation, is defensible one.

Senator KERRY. I think some Senate staffers may be able to add to that. Let me suggest something more specific here.

I have just been helped by the Senate staff, which is not unusual around here. This is a cable from the Ambassador right here. And it says that our working figures, as of June 1985, are \$6.6 million for about 50 acres. I do not know how they were changed to \$10 million for about 42 acres. That is the Ambassador there.

Mr. SPIERS. Can we talk about that? Was this Davis or—

Senator KERRY. This is to you for Assistant Secretary Robert Lamb from—I am just trying to find it here—

Mr. SPIERS. The last word in the cable will have either Davis or Houdek.

Senator KERRY. Armacost; that is the last word. I am just reading you the last word.

Mr. SPIERS. I can assure you he is not Ambassador to Kampala.

Mr. LAMB. Let me speak to this more generally.

The one area—the softest area in all of our estimates are real estate prices in underdeveloped countries where there is no real estate market; the truth of the matter is that we do not know the price of land in a place like Uganda until we sit down across from the chief or the sultan or whatever who owns the land and begin to negotiate.

In more sophisticated countries where there is a well-developed real estate market, we can tell you fairly precisely what an acre of land is going to cost. These estimates were put together in Uganda at a time when the country was in anarchy. There was no free market.

Senator KERRY. I understand; there is always a reason. There is a reason for the estimate. The problem is there is a discrepancy between the estimate and current reality. Now you are asking us to sit here and appropriate \$4.4 billion when we are cutting programs all across the board, and we are making a fictional appropriation.

I do not think that is fair; I do not think we ought to be put in that position, and I do not think we ought to be appropriating money that in a short period of time may sit there in one of these, later to be discovered as slush funds that turn around and cured problems that Congress made and suddenly are not made because people have \$2.4 billion lying around, as we have just found in the Defense Department yet again.

Now I think we ought to try to do a harder job. I do not have time because the yellow light is on, and I would like to continue this, as Senator Biden would, privately; I am happy to. But I have got plenty of examples of this kind of situation where staff, which has been studying this over three months, comes up with a discrepancy.

In the security enhancement document you provided the committee, it is claimed that \$19 million additional funding for the embassy office building complex in Somalia is required because of quote "application of revised physical security standards and practices developed since the submission of the 1985 supplemental."

However, information provided to the committee indicates that the increase is due, in fact, almost totally to increase space requirements and a decision to construct a \$2.7 million ambassadorial residence and 10 senior officer quarters at a cost of \$670,000 apiece. Why the discrepancy?

There are other examples of those. I am not going to go into them now because the red light is on, but the last comment that I want to make which is of concern to me is that I understand this \$4.4 billion comes down to \$275,000 expenditure for each overseas employee under State Department jurisdiction.

Now maybe you would like to comment on that. I am just trying to wonder, are we getting the kind of security—Senator Zorinsky raised it. Are we transferring security from residence—from workplace to residence to car to club to recreational location? I mean, when people are intent on the terrorist act, are we not just getting suckered in here to a process that we cannot really control?

Mr. SPIERS. Let me just say something generally about this, Senator, because some of these specific instances which are the same ones that keep coming up which we discussed earlier and as I have said, we are prepared to talk with the any Senator or staff that wants to about these specific instances.

We have talked with a number of them; it is in Somalia. It is the facing in Oman; it is the 40 acres in Kampala; the swimming pool in Amman—and all of the newspaper articles have these same four or five things. And I think that there are things to be said about all of them, and I think that they are reasonable things.

Now we are not trying to disguise anything, and we are not going to spend any more money that is required to accomplish the objectives. There are a lot of uncertainties; there are a lot of soft spots in this, as Mr. Lamb said. Most of them relate to land acquisition in underdeveloped countries where there is no market, where you have to have a negotiation.

And we are going to look very, very carefully at all of these things; and actually, as I said earlier, we welcome the input from the Senate staff on this.

Senator KERRY. I appreciate that. I think everybody here appreciates that. My time is up, but I just want to finish by saying that please do not miss in my comments the larger concern that I think is being expressed not only by me but by other Senators about this whole question of whether or not we are chasing this is a little like Sisyphus pushing the rock up the hill. Is this really going to change it; is it going to do it?

And some of us have a concern that perhaps, rather than asking for more and more money for security and talking about more and more escalation in the retaliation process, this Committee might want to hear a little bit more about some basic and fundamental policy approaches that deal with fundamental cause of terrorism and with the whole issue in the Middle East.

And I think that we ought to hear more on that, personally.

Thank you very much, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Kerry.

Senator Dodd, do you have questions for the witnesses?

Senator DODD. Mr. Chairman, I will pass. I just came in from the Labor and Human Resources Committee.

The CHAIRMAN. Well, I will make just a short comment and then we will be concluding the hearing shortly.

On behalf of Senator Cranston, I would like to submit a list of questions that the Senator has left in my care and ask that you respond to those. Let me just make a point in the form of a statement rather than a question.

The Security Program is reasonably well-known to our colleagues, although not in the detail that this hearing has illuminated, and I would ask that the witnesses follow through on invitations by Senators for visits.

Much of the information is classified, and we can appreciate that fact. However, there is a need for a fuller and more precise recognition in the country at large of what is at stake in combatting terrorism, enhancing the security of American representatives abroad, and the programs being proposed by the administration. Without such a recognition and appreciation of what is at stake, support for these programs will be hard to sustain.

I make this point because the distinguished ranking member, Senator Pell, and I have spent the last two days on the floor of the Senate involved in the budget battle. First of all, one of our colleagues offered an appealing amendment that would have transferred money out of the 150 account, the State Department account, for purposes of child immunization in our country. We argued that this bordered on demagoguery and that, given the current budgetary situation, one could not simply raid or transfer funds from one account for pet projects. Pulling out all the stops, that particular amendment was tabled by a vote of 49 to 46. But it did reflect by a show of hands how the Senate feels about the matter of priorities.

Yesterday, an amendment came along that reflected a much more regional interest on the part of Western Senators—namely, that the border patrol along the Mexican border be beefed up in order to stop drug trafficking. There has been no cut in that particular program, but various Western Senators were arguing that many more resources needed to be devoted to that program and

that those increased funds would have to come at the expense of the resources in the 150 account, the same account that we are discussing today in connection with embassy security.

Senator Pell and I pointed out that we have authorized assistance for Israel and Egypt, for five base-rights countries, for security for our personnel, but there was no new money for State Department programs and, as a matter of fact, a personnel freeze had been implemented. These arguments fell upon deaf ears. The amendment to enhance drug control measures along the border passed 53 to 43, which may be indicative of the status of the entire 150 account.

I mention this incident not because any money was shifted, but rather because it reflects a sense of where the priorities lie. That amendment passed despite the whole gamut of arguments we introduced with respect to pressing needs in our national security.

Thus, considerably more work needs to be done by our colleagues in understanding the importance of the embassy enhancement program if further raids on the 150 account are not to occur. I am hopeful that in the 15 hours of debate left on the budget, we shall not encounter too many more attempts to slice that account. With that 150 account already reduced by the Budget Committee to the tune of \$2 billion, some eleven percent of that entire account had been diminished long before we even got into this hearing today.

Having made that report to you, let me ask Senator Dodd if you have any further thoughts.

Senator DODD. Mr. Chairman, I will be glad to submit some questions rather than delay the hearing this morning. But I'd like to raise one brief question in addition to the more detailed ones I will submit to you.

Has anyone given any thought or any analysis to the notion that the whole idea of embassies—embassies which were established at a time when communications took days and in many cases weeks to communicate with our representatives in various places is somewhat antiquated?

Today, we can transmit information at the speed of light. I wonder how much thought has been given to eliminating, where possible, the on-ground facility where we see millions of dollars being spent on physical structures. Has there been any such analysis of cutting back on the need for the physical structures today and establishing new ways of communicating and maintaining relations without having to get into a \$4 or \$5 billion security program?

Mr. SPIERS. This is something that those of us who are professionals in this area devoted a lot of thought to. I certainly have. I have got a very clear answer and conviction on it. I probably could talk for an hour about it.

But I would say in brief I think that there is no substitute for having on-the-spot people who understand a local situation, who know the cultures, who know the leadership, who are in a position to gain information firsthand, to influence decisionmaking; perhaps we should turn the situation around and ask ourselves how much less knowledgeable the Russians would have been about us if somebody like Ambassador Dobrynin had not been here.

I do not see that that kind of connection can be made through straight electronic means. At the same time, I would like to say—and I say this on a purely personal basis—that I think that we have too many people overseas. I also have some questions at times, as we create new posts, whether we should not disestablish old posts.

Senator DODD. I was not talking about in every single case, obviously. But it seems to me there are a number of places where we can do with a lot less and not have to worry about it.

Mr. SPIERS. In these small places we tend to have very few people. In some of the small African countries we have embassies with staffs of five or six. It's the Parises and Bonns and Cairos that get the hundreds and hundreds of people.

The Secretary of State has recently, under the direction of the President, launched an exercise to scrub these staff levels; the Secretary of State is only responsible for the State Department element of those staffs, which, as I said earlier, is 28 percent of the American staff of our missions overseas.

He has no real authority over the other people so that it is a matter of trying to gain consensus on what is necessary. I hope that this will result in some staff reductions because it does translate directly into money for things like security.

So on that point I am fully in agreement with you.

Senator DODD. Have there been any specific recommendations? Have there been any studies done or completed that would make such a recommendation in a more formal sense?

Mr. SPIERS. We are now, as I said, doing an exercise on staff levels at all American missions overseas and we hope to have a completed study by the end of July on that.

Senator DODD. Would that not impact specifically on this kind of a request?

Mr. SPIERS. It could, and that would be translated into the appropriations request. What we are here for is asking for the authorization of a program; the appropriations are an annual process and we are not going to ask for more money than we need to accomplish the objective. And we are not going to spend any more money than we need.

The Kampalas and the Kuala Lumpurs, where I think that we have a case—I talked earlier about the Somalia thing that you mentioned, and I said that we were not going to build an Ambassador's residence that costs \$3.2 million or whatever it is in Somalia. We just will not do that.

Senator DODD. Does anyone else have another comment on that at all?

Well, all right.

Mr. Chairman, I will submit some additional questions. One question I do not presume you would have the answer to: Is it correct that since 1975 we have lost 30 Americans to terrorism?

Mr. SPIERS. I do not remember the precise figure.

We have got five more names going up on our memorial in the State Department this week.

Senator DODD. There is a lot of attention being given to it. I would be curious to know the number of American victims during

the period of 1945-46, from the conclusion of World War II up till 1975.

Mr. SPIERS. I do not remember. I have been told about this, and I have used it; but frankly, I just do not remember. We can certainly provide you that. It is clear that, you know, what we lost in the first 100 years has been lost in the last 10 years or something like that.

Senator DODD. I would appreciate it if I could get that information.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Dodd.

Senator Sarbanes, do you have questions for the witnesses?

Senator SARBANES. Well, Mr. Chairman, first of all let me say that I know some questions have been raised about this program, but I am a very strong supporter of it and think we have got to move ahead with it. If members perceive problems, I think we ought to think in terms of tighter oversight over the program as it moves along, rather than undermining at the program from the very beginning.

I have great regard for Admiral Inman who headed the study group that presented these proposals to us. I think he is really one of the most able people we ever had in the Federal service. He is now in the private sector.

I am very frank to say that I think those who serve our Government overseas do run very high risks, and that we have a responsibility to them to try to address those risks. I know there have been articles questioning how these expenditures will be made and I think that is legitimate; that type of scrutiny ought to take place.

But it seems to me we ought to be able to arrive at some way of committing to the program and at the same time combining that with tight scrutiny and avoid the problems associated with carrying it out. In fact, there may be problems. It is a big program; there is room for a lot of slippage. You cannot always be assured of having a real tight reign on it.

But we need to figure out a way of bringing that kind of pressure to bear but not use those questions substantially to diminish the program at the outset, and in effect go back on the continuity and the commitment that I think are important here.

I am sorry I was not here for your opening statement, but I gather it made something of the same point, particularly your stress on saving lives. And I also want to point out that if something happens that could have been prevented by reasonable expenditure on better security to begin with, we will end up spending a lot more money in some punitive or corrective action than would otherwise have been the case.

So if you look at this thing in perspective, the expenditure of a relatively amount of dollars now may prevent a situation which, if it arises, will provoke a response requiring the expenditure of very large amounts of money later on.

So I hope the committee can approach this request with something of that perspective. I have just a couple of questions.

First of all, you say that 28 percent of the personnel in our embassies are under the State Department. Do you have figures

broken down as to under whose jurisdiction the other 72 percent fall?

Mr. SPIERS. Yes, sir. I would have to provide that on a classified basis.

Senator SARBANES. Fine. I think that would be helpful, if we could get it.

Does the effort to develop a cooperative approach in reducing the loading require a push and a shove from the Congress?

Mr. SPIERS. I cannot answer that. So far the Secretary held a meeting on April 9 in the White House with the Heads of the major agencies who have people in our embassy staffs with this explicit objective of looking at where these levels could be reduced and producing the report for the President.

And so far, we have had a cooperative and collegial approach to the project.

Senator SARBANES. Mr. Chairman, that might be something that the committee would also want to take a look at. It might be possible for us to provide some impetus to move a cooperative effort along, so that all the departments and agencies involved would approach it with the same frame of mind.

The CHAIRMAN. That is a good idea.

Senator SARBANES. Mr. Secretary, I apologize that I was not able to be here to hear your statement. You appreciate the nature of conflicting obligations on the Hill.

I am a little concerned that we should not address the question of security solely in physical terms. We need to recognize that better personnel, higher training—a whole range of programs related to the human dimension of providing security—are an essential part of this program. This is not simply a question of physical structure.

I wonder if you could just touch on it briefly.

Mr. SPIERS. Let me reiterate what I said earlier. This was designed to be, and we believe is, an across-the-board program; it is an attack on many, many fronts. Somehow these questions of specific embassies or buildings tend to be the dramatic ones, but a substantial amount of effort and funds are requested in here to do just what you say to improve training, to improve professionalism—the whole concept of a diplomatic security service—the whole issue of protection of foreign diplomats in Washington.

And in addition to the purely physical protection, we have the questions that relate to communications and data processing security in our embassies, which is a matter of equal concern to us.

Senator SARBANES. What advances are we making in getting the host governments to meeting their own responsibilities to assure security requirements?

Mr. SPIERS. Generally, let me be very frank about this. Other governments tend to be more responsive than we are able to be. And one of the important things in this program is improving our ability to be responsive by our ability to provide the degree of protection for foreign diplomats in this country on request that we get almost automatically in every country that I know of.

Senator SARBANES. In other words, those governments are in a position to say that the degree of protection they provide our

people in their country is at a significantly higher level than what we can provide here?

Mr. SPIERS. I would say it is significantly more responsive. In some cases they do not have the physical and other measures that we would have available or you know the Government is more disorganized or incoherent. But I have never seen the case where they have said we cannot do it.

Senator SARBANES. Now to what extent in planning the security measures for our personnel abroad are we considering appearances? Are trying to the extent that we can, consistent with providing security, not to create the appearance of being in an armed camp or really inside a cage?

Mr. SPIERS. I have talked about this earlier this morning and made essentially two points: One, that what we are trying to do is design buildings from scratch so that ab initio the security features are built in in a way that is much less obtrusive and fortress-like than is the case when you add successive layers of security on old buildings.

And we have done a lot of work on that. We have got a lot of cooperation from the National Academy of Sciences; Frank Press has been working with us and has set up a group. And we have got a lot of very interesting things that are coming down the pike that will be incorporated in future designs if this program goes forward.

Senator SARBANES. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much, Senator Sarbanes.

Senator Evans, do you have a statement or questions of the witnesses?

Senator EVANS. I would just say very briefly that while I would endorse all of the measures necessary to ensure adequate security at our embassies and missions overseas, I think we have to do it in a fashion that does not destroy the basic reason for our being there in the first place. Just as I came in, I thought that Senator Sarbanes was dealing with that question.

Second, I would like to look carefully at these requests to ensure that they really are confined to those things which really are necessary and that we aren't using this as an opportunity to gold-plate our embassies and consulates or building things that we need not build.

Mr. SPIERS. There has certainly been no conscious attempt to do that.

Senator DODD. No line item there called gold-plating? \$2 million for gold-plating.

Senator EVANS. Well, for instance, it is my understanding—and I do not know, Mr. Chairman, if this is correct or not—that we have, for other, perhaps appropriate reasons, put a significant number of buy American requirements in there which have the effect in many of our missions of radically increasing the prices.

Is that correct?

Mr. SPIERS. Well, it is true that—several times this morning the furniture costs have been raised and it has been pointed out that half of the cost of furniture purchased from the United States is transportation.

Senator EVANS. I would guess the same thing is true in spades on some fundamental building materials.

Mr. SPIERS. Well, under the Percy amendment, there is a 10-per-cent preference given to American bidders.

Senator EVANS. I very likely will have other written questions, Mr. Chairman.

The CHAIRMAN. Very well.

And we will ask the witnesses to respond to Senator Evans' written questions.

Are there other questions of Senators at this point?

[No response.]

The CHAIRMAN. If not, we thank all four of you for your appearance for being so forthcoming in your responses, and for your willingness to continue to work with the committee. We hope the answers can be forthcoming swiftly so that we can move toward careful consideration at our business meeting.

Thank you very much.

[Whereupon, at 11:56 a.m., the committee adjourned, subject to call of the Chair.]

99TH CONGRESS
2D SESSION

S. 2015

To provide for the security of United States diplomatic personnel, facilities and operations, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 23 (legislative day, JANUARY 21), 1986

Mr. LUGAR (by request) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To provide for the security of United States diplomatic personnel, facilities and operations, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 SEC. 1. SHORT TITLE.

4 This Act may be cited as the "Diplomatic Security
5 Act".

6 SEC. 2. FINDINGS AND PURPOSE.

7 (a) FINDINGS.—The Congress finds and declares that—

8 (1) the United States has a crucial stake in the
9 presence of United States Government employees rep-
10 resenting United States interests abroad; and

1 (2) conditions confronting United States Govern-
2 ment employees and missions abroad are fraught with
3 security concerns which will continue for the foreseea-
4 ble future.

5 (3) the resources now available to counter acts of
6 terrorism and protect and secure United States Gov-
7 ernment employees and missions abroad, as well as for-
8 eign officials and missions in the United States, are in-
9 adequate to meet the mounting threat to such person-
10 nel and facilities.

11 (b) PURPOSES.—The purposes of this Act are—

12 (1) to set forth the responsibility of the Secretary
13 of State with respect to the security of diplomatic oper-
14 ations in the United States and abroad;

15 (2) to provide for an Assistant Secretary of State
16 to head the Bureau of Diplomatic Security of the De-
17 partment of State, and to set forth certain provisions
18 relating to the Diplomatic Security Service of the
19 Department of State;

20 (3) to maximize coordination by the Department
21 of State with Federal, State and local agencies, and
22 agencies of foreign governments in order to enhance
23 security programs;

24 (4) to promote strengthened security measures and
25 to provide for the accountability of United States Gov-

ernment employees with security-related responsibilities; and

(5) to provide authorization of appropriations for the Department of State to carry out its responsibilities in the area of security and counterterrorism, and in particular to finance the acquisition and improvements of United States Government missions abroad, including real property, buildings, facilities, and communications, information and security systems.

TITLE I—DIPLOMATIC SECURITY

SEC. 101. RESPONSIBILITY OF THE SECRETARY OF STATE.

(a) SECURITY FUNCTIONS.—The Secretary of State shall develop and implement in consultation with other agencies having personnel or missions abroad, within the scope of the resources made available, policies and programs, including funding levels and standards to provide for the security of United States Government operations of a diplomatic nature and foreign government operations of a diplomatic nature in the United States, to include—

(1) protection of all United States Government employees on official duty abroad, other than those under the command of a United States area military commander, and their accompanying dependents;

(2) establishment and operation of security functions at all United States Government missions abroad,

1 other than facilities or installations subject to the con-
2 trol of a United States area military commander;

3 (3) establishment and operation of security func-
4 tions at all Department of State facilities in the United
5 States; and

6 (4) protection of foreign missions, international or-
7 ganizations and foreign officials, and other foreign per-
8 sons in the United States, as authorized by law.

9 (b) ASSISTANCE.—Other Federal agencies through
10 agreements shall cooperate to the maximum extent possible
11 with the Department of State and may—with or without re-
12 imbursement—provide assistance to the Department, per-
13 form security inspections and provide logistical support relat-
14 ing to the differing missions and facilities of other agencies,
15 and perform other overseas security functions as may be au-
16 thorized by the Secretary of State, to facilitate fulfillment of
17 the responsibilities described herein. Specifically, the Secre-
18 tary of State may agree to delegate operational control of
19 overseas security functions of other Federal agencies to the
20 heads of such agencies, subject to the Secretary's authority
21 as set forth in subsection (a) and provided that the agency
22 head receiving such delegated authority shall be responsible
23 to the Secretary of State in the exercise of the delegated
24 operational control. Upon request and with or without reim-
25 bursement, the Department of State may provide training as-

1 sistance and related equipment to host government personnel
2 assigned to protect United States Government employees and
3 missions abroad.

4 (c) CHIEF OF MISSION.—Nothing contained herein
5 shall be construed to limit or impair the authority or responsi-
6 bility of a chief of mission under section 207 of the Foreign
7 Service Act of 1980, as amended (22 U.S.C. 3927).

8 (d) OTHER AGENCIES.—Nothing contained herein shall
9 be construed to limit or impair the authority or responsibility
10 of any other Federal, State, or local agency with respect to
11 law enforcement or domestic security operations, as con-
12 firmed by sections 125 and 126 of Public Law 99-93 (99
13 Stat. 416-418) or with respect to intelligence activities as
14 defined in Executive Order 12333, or successor orders, and
15 intelligence personnel and information associated therewith.

16 (e) CERTAIN LEASE ARRANGEMENTS.—The Adminis-
17 trator of General Services is authorized to lease up to two
18 hundred and fifty thousand square feet in the United States
19 for the Department of State to accommodate the personnel
20 required to carry out the purposes of this Act. The Depart-
21 ment of State shall pay for such space at the rate established
22 by the Administrator of General Services for space and
23 related services.

1 SEC. 102. BUREAU OF DIPLOMATIC SECURITY.

2 (a) ASSISTANT SECRETARY.—The Bureau of Diplo-
3 matic Security of the Department of State shall be headed by
4 an Assistant Secretary of State.

5 (b) NUMBER OF ASSISTANT SECRETARIES.—The first
6 section of the Act entitled "An Act to strengthen and im-
7 prove the organization and administration of the Department
8 of State, and for other purposes," approved May 26, 1949
9 (22 U.S.C. 2652), is amended by striking out "fourteen" and
10 inserting in lieu thereof "fifteen".

11 (c) POSITIONS AT LEVEL IV OF THE EXECUTIVE
12 SCHEDULE.—Section 5315 of title 5, United States Code, is
13 amended by striking out "(14)" following "Assistant Secre-
14 taries of State" and inserting in lieu thereof "(15)".

15 SEC. 103. DIPLOMATIC SECURITY SERVICE.

16 (a) DIRECTOR.—The Diplomatic Security Service of the
17 Department of State shall be headed by a Director designat-
18 ed by the Secretary of State. The Director shall be a member
19 of the Senior Foreign Service or the Senior Executive Serv-
20 ice and shall be qualified for the position by virtue of demon-
21 strated ability in the area of security, law enforcement, man-
22 agement or public administration. Experience in management
23 or operations at overseas diplomatic posts shall be considered
24 an affirmative factor in the selection of the Director. The
25 Director shall act under the supervision and direction of an
26 Assistant Secretary of State.

1 (b) ASSIGNMENT AND APPOINTMENT.—Positions in the
2 Diplomatic Security Service shall be filled in accordance with
3 the provisions of the Foreign Service Act of 1980, as amend-
4 ed (22 U.S.C. 3901 et seq.), and title 5, United States Code.
5 The Secretary of State shall prescribe the qualifications re-
6 quired for assignment or appointment to such positions. In
7 the case of positions designated for Special Agents, the quali-
8 fications may include minimum and maximum entry age re-
9 strictions and other physical standards, and shall incorporate
10 such standards as may be required by law in order to perform
11 security functions, to bear arms and to exercise investigatory,
12 warrant, arrest and such other authorities as are available by
13 law to Special Agents of the Department of State and the
14 Foreign Service. The regulations to be prescribed by the Sec-
15 retary with respect to such Special Agents, pursuant to sec-
16 tion 37 of the State Department Basic Authorities Act of
17 1956 (22 U.S.C. 2709), may provide for such special discipli-
18 nary procedures as are deemed necessary to carry out the
19 purposes of this Act.

20 (c) FUNCTIONS.—The Diplomatic Security Service shall
21 perform such functions as may be assigned to it by the Secre-
22 tary of State.

1 TITLE II—PERFORMANCE AND ACCOUNTABILITY

2 SEC. 201. ACCOUNTABILITY REVIEW.

3 In any case of serious injury, loss of life or significant
 4 destruction of property at or related to a United States Gov-
 5 ernment mission abroad which is covered by the provisions of
 6 this Act (other than a facility or installation subject to the
 7 control of a United States area military commander), the
 8 Secretary of State shall convene an Accountability Review
 9 Board (hereinafter in this title referred to as the "Board"):
 10 *Provided, however,* That no such Board shall be convened
 11 where the Secretary determines that a case clearly involves
 12 only causes unrelated to security, or that a case clearly in-
 13 volves no breach of duty by a United States Government
 14 employee.

15 SEC. 202. ACCOUNTABILITY REVIEW BOARD.

16 (a) MEMBERSHIP.—The Board shall consist of not less
 17 than three nor more than five members, including a Chairper-
 18 son, designated or appointed by the Secretary of State. The
 19 Director of Central Intelligence is authorized to designate a
 20 member. In cases where intelligence sources and methods are
 21 involved, the Secretary of State and the Director of Central
 22 Intelligence shall jointly designate the members of the Board.

23 (b) FACILITIES, SERVICES, SUPPLIES AND STAFF.—

24 (1) SUPPLIED BY DEPARTMENT OF STATE.—The
 25 Board shall obtain facilities, services and supplies

1 through the Department of State. All expenses of the
2 Board, including necessary costs of travel, shall be paid
3 by the Department of State. Travel expenses author-
4 ized under this subsection shall be paid in accordance
5 with subchapter 1 of chapter 57, title 5 of the United
6 States Code, or other applicable law.

7 (2) DETAIL.—At the request of the Board, em-
8 ployees of the Department of State or other Federal
9 agencies, members of the Foreign Service or uniformed
10 members of the military services may be temporarily
11 assigned, with or without reimbursement, as staff em-
12 ployees for the Board. Upon request, an inspector gen-
13 eral of the Department of State may provide assistance
14 to the Board.

15 (3) EMPLOYEES, EXPERTS AND CONSULT-
16 ANTS.—The Board may appoint and fix the pay of
17 such other employees and may employ and compensate
18 experts and consultants in accordance with section
19 3109 of title 5 of the United States Code, who shall be
20 responsible solely to the Board, as the Board considers
21 necessary to carry out its functions.

22 SEC. 203. PROCEDURES.

23 (a) EVIDENCE.—The Board is authorized to administer
24 oaths and affirmations and require that depositions be given
25 and interrogatories answered. The Board may issue or au-

1 thorize the issuance of a subpoena for the attendance and
2 testimony of witnesses, who are not employees of Federal
3 agencies, and the production of documentary or other evi-
4 dence from any person, who is not an employee of a Federal
5 agency, or entity in such instances where the Board finds
6 that such a subpoena is necessary in the interests of justice
7 for the development of relevant, admissible evidence. In the
8 case of contumacy or refusal to obey a subpoena issued under
9 this section, a court of the United States within the jurisdic-
10 tion of which a person is directed to appear or produce infor-
11 mation, or within the jurisdiction of which the person is
12 found, resides, or transacts business, may upon application of
13 the Attorney General, issue to such person an order requiring
14 such person to appear before the Board to give testimony or
15 produce information as required by the subpoena. Subpoe-
16 naed witnesses shall be paid the same fee and mileage allow-
17 ances which are paid subpoenaed witnesses in the courts of
18 the United States. Nothing contained herein shall be con-
19 strued to require that the Attorney General release any infor-
20 mation to the Board unless the Attorney General determines
21 that such release will not seriously impair any pending crimi-
22 nal investigation or prosecution.

23 (b) CONFIDENTIALITY.—The Board shall adopt for ad-
24 ministrative proceedings under this title such procedures with
25 respect to confidentiality as may be deemed necessary, in-

1 cluding procedures relating to the conduct of closed proceed-
2 ings or the submission and use of evidence in camera, to
3 ensure in particular the protection of classified information
4 relating to national defense, foreign policy or intelligence
5 matters. The Director of Central Intelligence shall establish
6 the level of protection required for intelligence information
7 and for information relating to intelligence personnel, includ-
8 ing standards for secure storage.

9 (c) RECORDS.—Records pertaining to administrative
10 proceedings under this title shall be separated from all other
11 records of the Department of State, and shall be maintained
12 under appropriate safeguards to preserve confidentiality and
13 classification of information. Such records shall be prohibited
14 from disclosure to the public until such time as the Board
15 completes its work and is dismissed. The Department of
16 State shall turn over to the Director of Central Intelligence
17 intelligence information and information relating to intelli-
18 gence personnel which shall then become records of the Cen-
19 tral Intelligence Agency. After that time, only such exemp-
20 tions as apply to other records of the Department of State
21 under said section 552(b) shall be available for the remaining
22 records of the Board.

23 (d) STATUS OF BOARD.—The provisions of sections 1-
24 14 of title 5 appendix of the United States Code and section

1 552b of title 5 of the United States Code shall not apply to
2 an Accountability Review Board.

3 SEC. 204. FINDINGS.

4 The Board convened in any case shall make written
5 findings determining—

6 (1) whether there are reasonable grounds to be-
7 lieve that the injury, loss of life or destruction of prop-
8 erty with respect to which the Board was convened
9 was security-related; and,

10 (2) whether there is reasonable cause to believe
11 that a breach of duty by a United States Government
12 employee contributed to such injury, loss of life or de-
13 struction of property.

14 In making its findings, the Board shall take into account such
15 standards of conduct, statutes, rules, regulations, instructions
16 and other sources as may have been pertinent to the perform-
17 ance of work and official duties.

18 SEC. 205. PROGRAM RECOMMENDATIONS.

19 The Board shall make recommendations as appropriate
20 to improve the efficiency, economy, suitability or security of
21 any program or operation subject to this Act which the Board
22 has reviewed. In particular, the Board shall make recommen-
23 dations as appropriate to promote security awareness and in-
24 dividual accountability for security programs.

1 SEC. 206. DISCIPLINARY PROCEEDINGS.

2 (a) NOTICE.—In any case in which the Board makes an
3 affirmative finding of reasonable cause under section 204, it
4 shall promptly notify the employee concerned. The Board at
5 the same time shall notify the head of the employing agency
6 or the military service involved and recommend that an ap-
7 propriate investigatory or disciplinary proceeding be initiated.

8 (b) RECORD.—The Board shall transmit to the Secre-
9 tary, head of other employing agency, or head of military
10 service as the case may be a certified copy of the record of
11 the proceeding, which shall be part of the official record for
12 all purposes of any disciplinary action against the employee
13 concerned.

14 SEC. 207. CERTAIN AGENCY ACTIONS.

15 (a) ADMINISTRATIVE LEAVE.—Following notification
16 to an employee of an affirmative finding of reasonable cause
17 under section 204, that employee may be placed on adminis-
18 trative leave for such period or periods as the Secretary of
19 State, the head of the employing agency if other than the
20 Department of State, or head of military service determines
21 to be consistent with the interests of the United States.

22 (b) DISCIPLINARY ACTION.—Not later than thirty days
23 after a disciplinary recommendation is made by the Board
24 pursuant to section 206, the Secretary of State, the head of
25 the employing agency if other than the Department of State,
26 or head of military service shall initiate or take such action as

1 is deemed appropriate and shall report to the Board on such
2 action.

3 SEC. 208. TRANSMISSION OF REPORTS.

4 The Board shall promptly transmit to the Secretary of
5 State all findings, decisions and recommendations made pur-
6 suant to sections 204 through 206 and reports received under
7 section 207(b). The Secretary of State shall promptly report
8 to the appropriate committees of the Congress on all recom-
9 mendations of the Board, as well as on any action taken with
10 respect to such recommendations.

11 SEC. 209. RELATION TO OTHER PROCEEDINGS.

12 (a) FOREIGN SERVICE GRIEVANCES.—Notwithstanding
13 any other provision of law, no action taken with respect to a
14 member of the Foreign Service in accordance with this title
15 shall be considered grounds for a grievance action under
16 chapter 11 of the Foreign Service Act of 1980, as amended
17 (22 U.S.C. 4131–4140).

18 (b) REVIEW ABILITY.—Nothing in this Act shall be
19 construed to create administrative or judicial review remedies
20 or rights of action. Determinations by the Secretary of State
21 under section 201 of this Act shall not be reviewable in any
22 court.

1 **TITLE III—AUTHORIZATION OF**
2 **APPROPRIATIONS**

3 **SEC. 301. AUTHORIZATION.**

4 (a) **SECURITY ENHANCEMENT PROGRAM.**—In addition
5 to amounts otherwise authorized to be appropriated, there
6 are authorized to be appropriated to the Department of State
7 for "Administration of Foreign Affairs" for the purposes of
8 this Act such sums as may be necessary for fiscal year 1986,
9 and for fiscal year 1987. Within the scope of total funds
10 available for security, the Department of State shall ensure
11 that equitable funding levels are provided and that, where
12 appropriate, specific amounts are identified for the overseas
13 security of other foreign affairs agencies on an annual basis.

14 (b) **COUNTER-TERRORISM RESEARCH AND DEVELOP-**
15 **MENT.**—There are authorized to be appropriated to the De-
16 partment of State for antiterrorism research and development
17 such sums as may be necessary for fiscal year 1986.

18 **SEC. 302. FOREIGN BUILDINGS PROGRAM.**

19 In the implementation of any foreign buildings program
20 funded from amounts authorized by section 301, the Foreign
21 Buildings Office of the Department of State shall utilize, to
22 the maximum extent possible, American contractors from the
23 private sector.

PREPARED STATEMENT OF GEORGE P. SHULTZ

Mr. Chairman and Members of the Committee, I am pleased to have this opportunity to speak in support of the Administration's proposals to strengthen the security of United States diplomatic operations. These proposals are based on the recommendations of the Advisory Panel on Overseas Security, and much work and thought in the Department and other interested agencies.

Over the past few years the attention of the world has been riveted to terrorist dramas unfolding around the globe. This is a new and chilling phenomenon, one with which civilized nations and civilized peoples are inadequately equipped to deal. That can and must change. We must do everything we can to thwart those who seek to advance their ends through terror. We must protect official Americans and their dependents from these criminal activities.

We in the State Department and our colleagues from other agencies serving abroad are on the front line. Our friends and colleagues have been victims of this violence. But the challenge of terrorism has strengthened our determination. The courage and patriotism of our people and their families in the face of these dangers are inspiring.

We must spare no effort to ensure the safety of the people and facilities of all agencies abroad. In this period of budgetary stringency, this task must be a priority.

Therefore we have designed a program which in our view is prudent, thoroughly thought out, efficient in its commitment of resources -- yet responsive to the inescapable necessity we now face.

The United States has always built handsome and accessible embassies and consulates abroad. Our object was to be easily accessible -- to demonstrate to other peoples the openness of our society and the hand of friendship we extend to all. We wanted the local populace to see a "welcome" sign above our door and to feel comfortable in entering our buildings. This is the essence of the job we do overseas, and we have been highly successful at it. We are now faced with a new situation: The current security and terrorist problems have left those same buildings vulnerable. Our challenge is to strengthen our security against the new dangers so that we can maintain our tradition of openness and accessibility. We will not let the terrorists win their victory by isolating us, forcing us to close our doors, or denying us our contacts with the peoples of the countries in which we are represented.

The Advisory Panel on Overseas Security

With this goal in mind, I formed the Advisory Panel on Overseas Security, chaired by Admiral Inman. I asked the Panel to take a hard look at our security and counter-terrorism programs. I didn't want or need an apologia; I wanted ideas and recommendations.

I am extremely pleased with the Panel's report. The hard work and dedication of the Panel is clearly reflected in the quality of its report. The Panel exhaustively researched all aspects of our security and counter-terrorism programs. Its recommendations have vision and, perhaps more importantly, are practical. They are recommendations which, with your support, are achievable.

The panel gave us 91 recommendations. We have implemented 45 and work is underway on 20 more. An additional 20 are awaiting the resources requested in this proposed legislation.

The recommendations focused on three central points:

-- that a Bureau of Diplomatic Security with a Diplomatic Security Service be established in the Department to increase the professionalism of our security personnel and programs;

-- that my overall responsibility and that of the Chiefs of Mission for overseas security programs be emphasized because such supervision is fundamental to good management; and

-- that significant new resources be made available for a comprehensive worldwide security program to protect all government employees abroad. A key element here is a major multi-year construction program to rebuild or replace embassies and consulates overseas which fall significantly below our physical and technical security standards. Other elements are the upgrading of our communications to state-of-the art technology so they are faster and more secure, and improved intelligence-sharing with host governments and within our own government.

Actions Taken

The Bureau of Diplomatic Security and the Diplomatic Security Service have been established, with your support, through reprogramming of funds. In addition, using existing funds and authorities, we have already:

-- started an ambitious recruitment campaign to bring on board nearly 300 new security agents during FY-86 and to more than double the number of overseas security officers before the end of this fiscal year;

- significantly improved training for security agents;
- streamlined threat-alert procedures;
- increased the number of local guards worldwide;
- added more Marines and Marine Guard detachments to posts;
- nearly doubled the size of our armored vehicle fleet overseas;
- made significant physical security improvements at 152 posts in 1985; and
- dispatched mobile training teams to high-threat posts to provide specialized security training to U.S. Government personnel, dependents and Foreign Service Nationals.

Administration's Proposals

The Administration's proposals now before you will, in addition, do three things:

First, they would authorize a five-year construction program to replace or upgrade our most vulnerable posts; and further authorize improvements in communications and intelligence-sharing, all as recommended by the Inman Panel.

Second, our proposals would complete the reorganization of our security program as recommended by the Inman Panel by providing for a new Assistant Secretary of State to head a Bureau of Diplomatic Security, and for a Director of the Diplomatic Security Service. The bureau would be responsible for all operational aspects of our security program. We would authorize certain special recruitment and performance standards for members of the Diplomatic Security Service, and emphasize such operational matters as residential, perimeter, and technical security.

In one respect we have gone beyond the recommendations of the Inman Panel. Where the Panel favored placing the policy arm of our counterterrorism effort with the Under Secretary for Political Affairs, we have, through reprogramming, created an Ambassador-at-Large for Counterterrorism reporting directly to me. Before this reorganization last November 4, this policy function rested with an office reporting to the Under Secretary for Management.

This reorganization demonstrates the high priority we place on counter-terrorism; it strengthens the interagency role of this key office on the many issues on which the State Department is the lead agency.

Third, our proposals would revise and clarify the chain of command for overseas security, fixing supervisory responsibility directly on the Chief of Mission and the Secretary of State. They would also formalize and expand the current process by which responsible officials are held accountable for their actions -- or inaction. We would now have an automatic investigation whenever there is a security breach that results in serious bodily injury, loss of life, or significant damage to our property.

Although the draft Bill requests "such sums as may be necessary", the Administration's total authorization funding requirement for this program is \$4.4 billion spread over five years. Of this total, \$2.7 billion is for construction, and the balance is for related operating expenses including security officers, residential security improvements and more secure communications equipment. In Fiscal Year 1986 the Administration is requesting \$237 million for salaries and expenses and \$455 million for construction.

In FY year 1987, the Administration is requesting \$304 million for salaries and expenses and \$1.1 billion for construction for this program.

The Construction Program

The Inman Panel recommended several new security standards -- a 100-foot set-back, for example. I have accepted these standards, and the set-back shall be the goal for our buildings, wherever feasible. Many posts do not meet these standards; thus a new building program is needed.

Many posts front onto busy streets. Some have extensive glass facades. Often we share office buildings with other organizations and businesses. In still other cases our embassies and consulates share walls with non-U.S. government tenants. All this is clearly and generally undesirable and simply unacceptable in a great many situations.

The program places its highest priority on buildings at locations where the security threat is greatest and which are substantially below the new standards.

Great effort has gone into creating a security construction program which would ensure that buildings are designed and built to meet stringent security standards, on time and within budget.

It was clear from the outset that a massive expansion of the staff of our Foreign Buildings Office to implement such a major program was not the answer. We have, instead, developed an implementation plan based on the following policies:

-- use of "fast track" and "design/build" methods to accelerate the design and construction process so that projects can be completed more quickly than was possible under previous programs;

-- use of risk analysis, constructability and value engineering reviews to ensure that design requirements are compatible with local conditions, material availability and technical capabilities, and are cost-effective;

-- upgrade of construction contractor qualification requirements to ensure that construction awards are made to contractors with the financial, organizational and technical qualifications necessary for successful completion of a major overseas building program;

-- allocation of sufficient resources to on-site construction oversight and inspection to ensure that buildings are constructed to required standards; and

-- use of recommendations from a major research program undertaken for our Foreign Buildings Office by the National Academy of Sciences; these provide the scientific and technical bases, in the form of performance-based security design criteria, for the design and construction of future Embassy buildings.

The private sector will play a key role in ensuring effective management and implementation of the building program. We have published a synopsis of our program in the "Commerce Business Daily" with a request for particulars of qualification and experience from private sector firms interested in providing us with program, design and engineering, construction and operations management services.

We will be ready to enter into a contract with our first private sector program manager immediately upon receipt of an authorization and appropriation from the Congress.

Bureau of Diplomatic Security

As I said earlier, this legislation would complete the reorganization of security responsibilities in the Department recommended by the Inman Panel by: 1) providing for an Assistant Secretary of State to head the new Bureau of Diplomatic Security; 2) creating a Director of the Diplomatic Security Service; 3) establishing several special job-related requirements for membership in the Diplomatic Security Service; and 4) increasing our emphasis on key operational security programs.

The new Bureau will concentrate on improving:

- the security of the homes of our people and their families overseas;
- perimeter security at our facilities;
- technical security to update and improve our ability to cope with the unprecedented threat of sophisticated penetration systems used by hostile intelligence services against our facilities abroad;
- protection of foreign dignitaries in the United States;

-- qualifications and performances of our local guards at overseas posts;

-- professionalism and training for our security personnel; and

-- it will improve security at Moscow and other East European posts by, among other things, substituting Americans for a substantial number of local employees now working in support positions.

Diplomatic Security Service

I envision the Diplomatic Security Service as a highly professional security organization with the recognition and respect that brings. The Panel called for increased professional training, physical fitness standards, and an identifiable career structure within the Foreign Service for the Department's security cadre. I strongly support these recommendations.

The Diplomatic Security Service is to be staffed by drawing upon the existing Foreign Service and Civil Service personnel systems. This proposal will not create a new personnel system. Rather it identifies a category of employees in the same manner as do the designations "Political Officer" or "Economic Officer."

Qualifications required for assignment or appointment to positions in the Diplomatic Security Service will be prescribed by the Secretary of State. In the case of security officers, the position qualifications may include minimum and maximum entry age limitations--perhaps 21 years minimum and 35 years maximum. Such limitations are commonly found in organizations having security-related responsibilities.

In addition, the position qualifications for security officers will incorporate the standards now required by law to carry out our security functions and to exercise the Department's law enforcement authorities. As security officers perform such unique functions as protecting lives and carrying firearms in certain situations, the Secretary will be authorized to issue regulations providing for special disciplinary procedures. This is a common practice among organizations with security-related responsibilities.

The Chain of Command

The Inman Panel concluded that management of the security program was overly fragmented and that the chain of command ought to be revised so that the resulting sharper supervisory focus would encourage better management and protection of U.S. government personnel overseas.

Therefore, the Administration's proposed legislation fixes overall responsibility and authority for the management and direction of the U.S. security program overseas on the Secretary of State and, through him, the Ambassador at post.

We are working closely with other agencies to develop and agree upon appropriate security standards, procedures, and resource levels that are responsive to the needs of all U.S. government agencies having facilities overseas except for military bases. Physical security standards and procedures for USIA libraries and relay stations, as well as AID and other facilities located separately from Embassies and consulates, may differ from those applied to embassies, consulates, and diplomatic residences. But the Ambassador at post, and through him, the Department, will have central responsibility for security at these facilities as well as our embassies.

This proposal does not affect the Washington-based security offices of other agencies. There is sound management justification for each agency having its own security advisors in Washington. These advisors play an important role within their agencies, and we need their help in planning and implementing this program.

The Administration's proposal also does not affect the authority or responsibility of any other Federal, State or local agency with respect to law enforcement, domestic security operations, intelligence activities as defined by Executive Order, or the provision of protective services by the Secret Service.

In reviewing the security chain of command, the Inman Panel recommended that we have a procedure established in law to draw lessons from security disasters or to fix individual responsibility, if any, for such incidents. The Administration agrees, and this proposal expands our current procedures by creating Accountability Review Boards to investigate incidents involving serious injury, loss of life, or significant destruction of property at or related to U.S. government missions abroad (other than military installations). Such boards would not only make findings relating to security generally, but they would also determine if a breach of duty by an individual employee contributed to the incident. The employing agency would review and act on the findings of the board.

Conclusion

Mr. Chairman, the Administration is proposing a major, national program to improve the physical and technical security of all departments and agencies abroad, except for military bases, as well as the physical security of foreign missions and officials in this country. This proposed legislation is the product of long, hard work to which many agencies have contributed and is intended to meet their requirements. The most important contributions have come from AID, USIA, CIA, Justice, Defense, OPM, OMB, Commerce, Agriculture, and Treasury.

Our proposal's overriding goal is to maintain the American tradition of overseas posts that extend the warm hand of welcome to the local population. The program I have outlined today is intended to ensure this openness in light of the dangers of today's world. We must not forget the purpose of our overseas presence is to spread our message and communicate our ideals to other nations, not to overwhelm our hosts with the aura of our power by erecting forbidding fortresses.

The Administration's proposed program will not solve all of our security problems. But we can minimize them. Our proposal is a comprehensive--and long overdue--security program which addresses our most basic security concerns.

We will need to continue to supplement our limited resources with vigilance and effective intelligence to enhance the security of our posts and the effectiveness, as well as the safety, of our missions abroad.

The President and his Administration place the highest priority on this program. We recommend its early enactment.

 * OFUS 1 *
 * AUTH-US-O/S-SUMMARY *

DEPARTMENT OF STATE
 (M/MO)
 AUTHORIZED US OVERSEAS POSITIONS
 AGENCY/ACTIVITY SUMMARY
 28 JAN 85

AGENCY	ACTIVITY	POSITIONS
AGRICULTURE DEPARTMENT	AGRICULTURAL RESEARCH SERVICE	21
	ANIMAL & PLANT HEALTH INSPECTION SERVICE	105
	FOOD SAFETY AND INSPECTION SERVICE	11
	FOREIGN AGRICULTURAL SERVICE	123
	OFFICE OF INTERNATIONAL COOPERATION	2
	SOIL CONSERVATION SERVICE	8

		270
AMERICAN BATTLE MONUMENTS COMMISS		45
ARMS CONTROL & DISARMAMENT AGENCY		5
COMMERCE DEPARTMENT	FOREIGN COMMERCIAL SERVICE	204
	INTERNATIONAL TRADE ADMINISTRATION	17
	NATIONAL OCEANIC & ATMOSPHERIC ADMINISTRATION	9
	US TRAVEL SERVICE	17

		247
DEPARTMENT OF DEFENSE	DEFENSE INTELLIGENCE AGENCY	671
	MARINE SECURITY GUARDS	1229
	NAVAL SUPPORT UNIT - SPAFFS	43
	OTHER	1422
	SECURITY ASSISTANCE	748

		4113
DEPARTMENT OF ENERGY	ASST SEC INTL AFFAIRS	2
DEPARTMENT OF TRANSPORTATION	FEDERAL AVIATION ADMINISTRATION	103
	MARITIME ADMINISTRATION	4
	US COAST GUARD	267

		374
FEDERAL EMERGENCY MANAGEMENT AGENCY	DIRECTORS OFFICE, INTERNATIONAL AFF	3
FOREIGN BROADCASTING INFORMATION		98
GENERAL SERVICES ADMINISTRATION	OFFICE OF PERSONAL PROPERTY	5

		5
HEALTH & HUMAN SERVICES	CENTER FOR DISEASE CONTROL	7
	NATL INSTITUTES OF HEALTH	2
	OFF ASST SECY HEALTH	1
	SOCIAL SECURITY ADMINISTRATION	1

		11
IDCA/AGENCY FOR INTERNATIONAL DEV	BUREAU FOR AFRICA	652
	BUREAU FOR ASIA	708

BUREAU FOR LATIN AMERICA & CARIBBEA	330	
BUREAU FOR NEAR EAST	263	
OFF OF AUDITOR GENERAL	52	
OFFICE OF FOOD FOR PEACE	2	
OFFICE OF PROGRAM AND POLICY COORDI	8	

	1615	
>		
IDCA/TRADE AND DEVELOPMENT PROGRA	TRADE AND DEVELOPMENT PROGRAM	3
JAPAN-U.S. FRIENDSHIP COMMISSION		1
JUSTICE DEPARTMENT	CIVIL DIVISION	1
	DRUG ENFORCEMENT ADMINISTRATION	302
	FEDERAL BUREAU OF INVESTIGATION	60
	IMMIGRATION & NATURALIZATION SERVIC	135
	-----	498
NATIONAL AERONAUTICS & SPACE ADMIN	OFFICE OF INTERNATIONAL AFFAIRS	1
	OFFICE OF SPACE FLIGHT	14
	OFFICE OF TRACKING & DATA ACQUISITI	7
	-----	22
NAT'L SCIENCE FOUNDATION		2
PEACE CORPS	PEACE CORPS STAFF	171
	-----	171
>		
STATE DEPARTMENT		6958
TENNESSEE VALLEY AUTHORITY		6
TREASURY DEPARTMENT	COMPTROLLER OF THE CURRENCY	6
	CUSTOMS SERVICE	257
	INTERNAL REVENUE SERVICE	50
	OFFICE ASST SECRETARY INTERNATIONAL	40
	SECRET SERVICE	13
	-----	366
UNITED STATES INFORMATION AGENCY	AFRICAN AFFAIRS	102
	AMERICAN REPUBLICS AFFAIRS	130
	ASSOCIATE DIR BROADCASTING	107
	ASSOCIATE DIR PROGRAMS	43
	ASSOCIATE DIRECTOR - MANAGEMENT	9
	EAST ASIAN & PACIFIC AFFAIRS	103
	EDUCATIONAL & CULTURAL AFFAIRS	22
	EUROPEAN AFFAIRS	234
	NORTH AFRICAN, NEAR EASTERN & SOUTH	121
	OFFICE OF PERSONNEL SERVICES	66
	-----	937
US TRADE REPRESENTATIVE		11
VETERANS ADMINISTRATION	REGIONAL OFF PHILIPPINES	8

TOTAL AUTHORIZED POSITIONS		15771

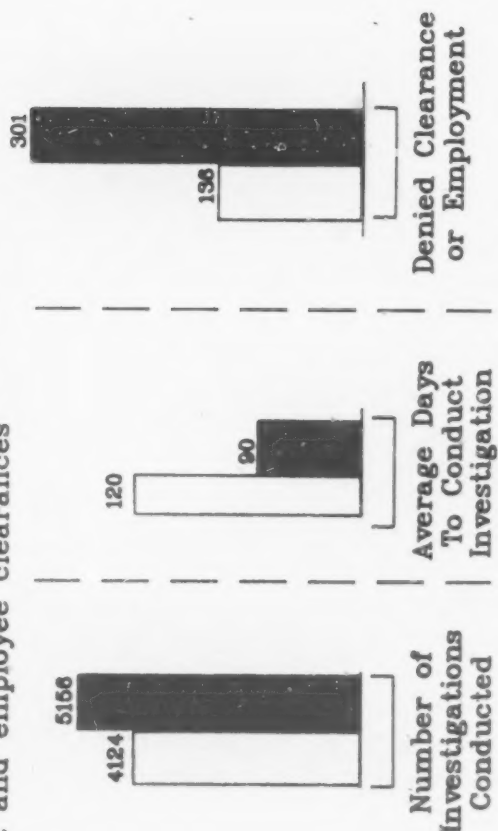
Diplomatic Security Service



Accomplishments And Goals

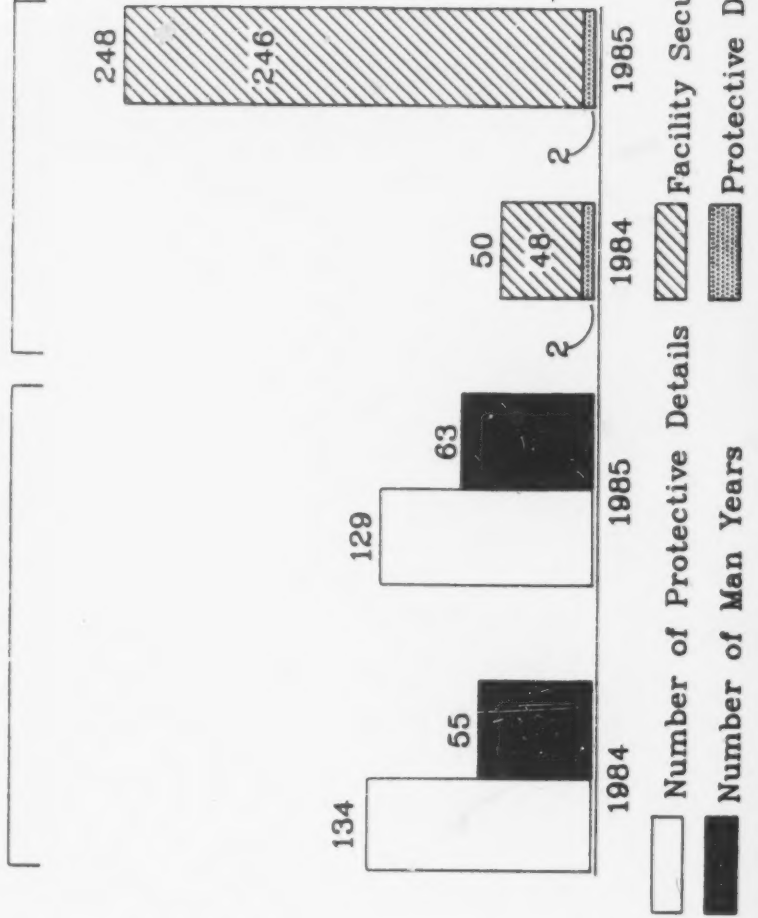
PERSONNEL SECURITY INVESTIGATIONS

- Reduced the average time to complete personnel investigations and issue clearances to 90 days, down from 120 days in 1984
- Began a program to eliminate a 3-year backlog of approximately 3,000 update personnel investigations
- Implemented more stringent guidelines and procedures for denying, suspending and reducing level of applicant and employee clearances



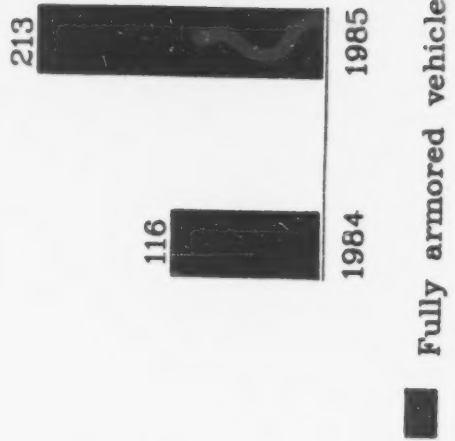
PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

Visiting Foreign Dignitaries
Diplomatic and Consular
Officials and Facilities



ARMORED VEHICLE PROGRAM

- Nearly doubled size of our fully armored vehicle fleet
- Every Chief of Mission and Principal Officer in EUR, NEA and ARA will have a fully armored vehicle by end of 1986
- Upgraded the ballistic resistant quality of the armoring materials
- Realized a 17% reduction in cost of fully armored vehicles

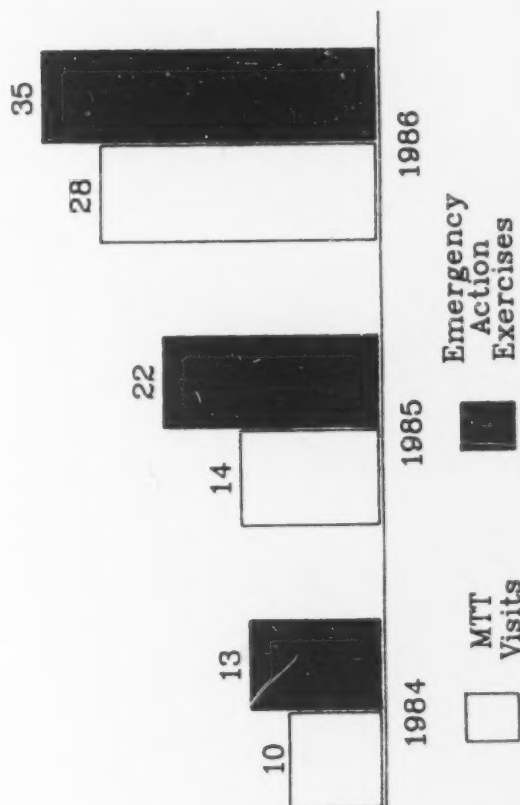


PROFESSIONALISM OF SECURITY PERSONNEL

- Expanded and redesigned security officer training.
- Expanded Marine Security Guard training curriculum.
- Launched an ambitious recruitment campaign.

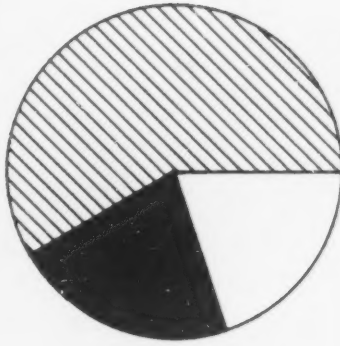
EXPANDED EMERGENCY ACTION EXERCISES AND MOBILE TRAINING (MTT) VISITS

- Sent Mobile Training Teams to high-threat posts to give employees and their dependents specialized security training
- Increased the number of Emergency Action Exercise Programs at posts overseas
- Established at all posts regular drills of emergency plans, involving all personnel



Perimeter Security Improvements

Calendar Year 1985
152 Posts Received Funds
to Improve Security
Of these, 95 Were for Major Improvements



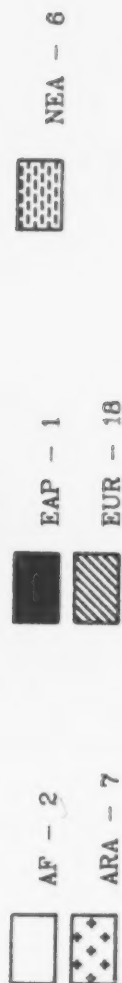
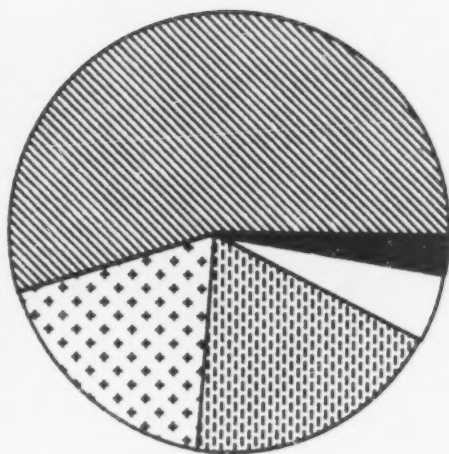
Major Projects - 95

 58 Completed
  20 Construction Authorized
  17 Awaiting Funds

Goals for 1986

Complete 17 Pending Projects
Start 46 New Projects

Completed Public Access Control Projects - 34 Calendar Year 1985

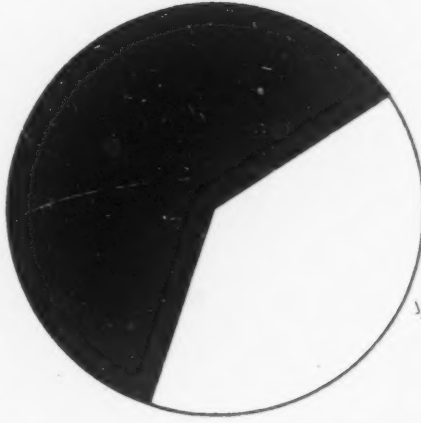


Goals for 1986

Complete 75 Ongoing Projects

Start 65 New Projects

Physical Security Program Expenditures
Fiscal Year 1985
Total Expenditures - \$57.8 Million



Public Access Controls \$18.9



Perimeter Improvements \$38.9

INTERAGENCY COORDINATION AND PRIVATE SECTOR INITIATIVE

■ Increased interagency liaison by:

Forming interagency Overseas Security Policy Group headed by State;

Including USIA, AID and other agencies abroad in government-wide non-military overseas security budgeting and policy preparations; and

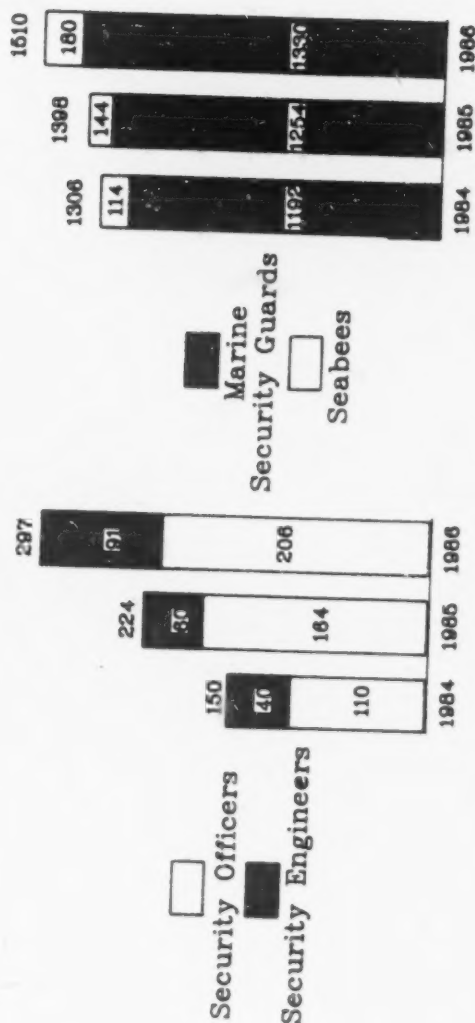
Working with military commands throughout the world to ensure coordination during and after terrorist incidents involving our personnel and facilities.

■ Established Overseas Security Advisory Council.

■ Established new interagency guidelines to streamline threat alert procedures.

OVERSEAS SECURITY MANPOWER EXPANSION

- Assigned 74 new security officers and engineers in 1985
- Plan to nearly double the number of security officers and engineers overseas to 297 by 1986
- Added 30 Seabees and 62 Marine Guards in 1985
- Plan to increase the number of Seabees and Marine Security Guards to 1510 by 1986



MAKING THE FUTURE SAFER

- Design safe embassies which reflect our open and lawful society.
- Construct embassies which incorporate latest physical and technical security standards and systems.
- Increase our technical security capabilities to fight espionage.
- Assign security engineers to every Eastern Bloc mission to continually monitor technical security threats.
- Deploy "Tiger Teams," headed by State, to do OPSEC and COMSEC surveys.
- Lead research and development efforts in the areas of technical and physical security.
- Implement a residential security program for all employees and families assigned to our posts.
- Raise security awareness of foreign affairs community.
- Improve protection of resident foreign officials and visiting foreign dignitaries.

RESPONSES OF SECRETARY SHULTZ TO QUESTIONS ASKED BY SENATOR KASSEBAUM

Q: Mr. Secretary, the thrust of the security enhancement program seems to be to improve the personal safety of the American employees of the U.S. Government assigned to our embassies and other offices abroad. May I ask about another concern: the safety of the local employees hired overseas to assist our missions in their operations?

A: Our diplomatic security program makes no distinction between American and local employees overseas in the workplace. All of our employees share the security benefits, for example, of our perimeter-security and access-control programs. We want everyone in our facilities -- even visitors -- to be safe.

The host government bears primary responsibility for protecting our personnel and facilities overseas. This, obviously, extends to protecting its own citizens who are employed by U.S. missions.

In many overseas posts, we are supplementing the security of our American employees' homes. This protection is primarily against crime. Unlike the homes of our local employees, the U.S. Government generally rents, leases or owns the residences of our American employees and has some control over housing assignment and maintenance.

Q: In South Africa, for instance, many of our black employees are forced to live in the very communities where violence is most prevalent. They and their families, it seems to me, are potential targets for violence by those who disagree with American government policies. We are now committed under the Executive Order to provide housing assistance to these employees to meet the standards of the Sullivan Principles.

Should we not be more imaginative and daring in our conduct of this new policy by taking into account the security needs of these employees and their families? Has any thought been given to finding housing outside the townships for our black employees? Would legislation be needed to authorize you to provide housing outside these areas of greatest danger? What would such legislation look like?

A: The South African national employees of our mission in South Africa have never been threatened or targeted by any groups in South Africa. We have no reason to believe, at this point, that South Africans working in our Embassy or consulates will be subject to hostility or violent threats.

The U.S. Government, as an employer in South Africa, is committed to improving the quality of life of our South African employees by countering, where possible, the effects of apartheid on their daily lives. Outside the work environment, our efforts are particularly directed to the areas of housing, transportation, schooling, recreation, and health. The President's September 9 Executive Order on South Africa reaffirmed our commitment to taking all steps, to the extent permitted by law, to ensure the application of fair labor standards to our South African employees. Our commitment parallels that of the U.S. companies in South Africa (including

signatories to the Sullivan Principles) who agree to adhere to the fair labor standards set out in the Executive Order. The State Department's preference is to go beyond these standards in reaching toward the needs of disadvantaged South African employees of the U.S. Government.

We are working to help our South African employees take advantage of their legal rights, including the right to reside outside the townships. Our program is to include U.S. government guarantees for loans to employees purchasing homes and interest payment subsidies on home loans.

United States Advisory Commission
on Public Diplomacy

Washington, D.C. 20547

Edwin J. Feulner, Jr., Ph.D.
Chairman

Robert (Bob) Wallace
Vice Chairman

Priscilla L. Buckley
Hershey Gold
Tom C. Korologos
Richard M. Scafe
Herbert Schmetz

February 3, 1986

The Honorable
Richard Lugar
Chairman
Committee on Foreign Relations
United States Senate

Dear Chairman Lugar:

My colleagues and I are delighted that your Committee is holding hearings on the critically important issue of diplomatic security.

The Commission has considered with care the impact of the Inman panel's report and the Administration's draft bill on USIA's public diplomacy mission. A recent Commission study addressed the need for relatively free public access to USIA's libraries and information centers, separately identified funds to enhance security for USIA's facilities, flexibility in determining security standards for the protection of USIA's personnel and installations, and related concerns.

We urge Congress to move as quickly as possible to adopt all reasonable security measures for American diplomats abroad, but in doing so to assess fully USIA's needs which differ considerably from those of the Department of State.

A copy of our brief report is enclosed. We would appreciate your including it in the hearing record. If you think it useful, the Commission would be pleased to appear before the Committee at any time to explore these matters further.

With all best wishes.

Sincerely,



Edwin J. Feulner, Jr.
Chairman

Terrorism and Security: The Challenge for Public Diplomacy



A Report
of the
United States
Advisory Commission
on Public Diplomacy

TERRORISM AND SECURITY: THE CHALLENGE FOR PUBLIC DIPLOMACY

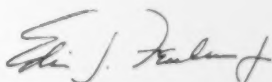
A
REPORT
OF THE
U.S. ADVISORY COMMISSION
ON —
PUBLIC DIPLOMACY

DECEMBER, 1985

TO THE CONGRESS AND TO THE PRESIDENT OF THE UNITED STATES

In accordance with Section 8, Reorganization Plan No. 2 of 1977, and Public Law 96-60, the United States Advisory Commission on Public Diplomacy submits herewith a report on diplomatic security and the public diplomacy mission of the U.S. Information Agency.

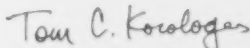
Respectfully submitted,



Edwin J. Feulner, Jr., Chairman
President, The Heritage Foundation
Virginia (R)



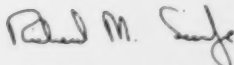
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Vice Chairman
Lawyer-Counselor
Dean, Hastings Law School
Center for Trial and
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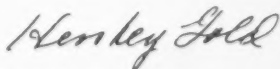
Tom C. Korologos
Vice President and Director of
Legislative Affairs
Timmons and Company, Inc.
Virginia (R)



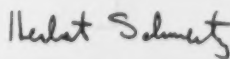
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A MESSAGE FROM THE CHAIRMAN

In preparing this report, the members of the U.S. Advisory Commission on Public Diplomacy were faced with a basic dilemma. How does the United States conduct public diplomacy abroad and, at the same time, protect the security of its personnel and facilities?

Increasing terrorism and acts of violence against American diplomats make it imperative that we do much more as a nation to protect U.S. civilian personnel and installations overseas. The problem is urgent, and the Commission welcomes the protective measures, enhanced professional standards, and plans to relocate and correct the security deficiencies of U.S. embassies that have been recommended by the Inman Panel on overseas security.

Effective public diplomacy, however, requires that the U.S. Information Agency's libraries, cultural centers, and press offices be accessible to those they are intended to serve. To "harden" USIA's libraries and centers, to insist on 100-foot setbacks for Agency facilities located in urban areas, or require that they be moved to remote embassy compounds would significantly diminish their effectiveness.

The goals of adequate security and effective public diplomacy are difficult to reconcile. We found no easy answers, and this report contains no panaceas.

We have made recommendations on draft legislation that implements the Inman Panel's report as it affects USIA. We have suggested approaches and principles that we believe ought to govern decision-making on USIA's security needs. And we have presented the views of public diplomacy professionals, many of whom have given a great deal of thought to these vexing problems.

The Commission has examined this issue with care. We met and discussed our concerns with Secretary of State George Shultz; USIA Director Charles Z. Wick; Congressman Dan Mica, Chairman, International Operations Subcommittee, House Foreign Affairs Committee, and the Subcommittee's Ranking Minority Member, Olympia Snowe; Admiral Bobby R. Inman; and a number of USIA's senior officers in Washington and overseas.

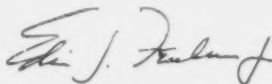
The views of USIA's officers have been indispensable in shaping our findings, and the Commission would like particularly to express its appreciation to Hans N. Tuch, a recently retired Career Minister in the Senior Foreign Service, who served as a consultant on this report and who provided valuable assistance during its preparation.

While we have dealt primarily with public diplomacy, the Commission strongly believes that bilateral and multilateral political responses to terrorism are fundamental in dealing with the problem. Traditional industrial and military security techniques alone are not enough. Politically inspired violence against diplomats must not be the sole responsibility of the security and management offices of the foreign affairs agencies. The U.S. and other nations must deal more effectively with terrorists and states that support terrorism through international cooperation and action.

The U.S. Advisory Commission on Public Diplomacy is an independent, bipartisan oversight body created by Congress nearly forty years ago to assess the overseas information and educational exchange programs of the United States. Its members are private citizens appointed by the President, subject to the advice and consent of the Senate, who represent the public interest and serve without compensation.

Our views are normally presented in annual reports to the Congress and to the President. The Commission's enabling legislation, however, provides that it also submit "such other reports to the Congress as it deems appropriate." We have submitted such special reports sparingly. The challenge of terrorism for public diplomacy warrants our doing so now.

Throughout this report we have sought to present an issue that has received much less attention than it deserves. As the Administration and the Congress seek to develop a national response to the problems of terrorism and security, it is important that the special needs of public diplomacy be fully understood. To that end we submit this report.



Edwin J. Feulner, Jr.
Chairman

SUMMARY OF RECOMMENDATIONS

- o The Commission recommends that legislation on diplomatic security take fully into account USIA's public diplomacy mission, the need for relatively free public access to USIA's libraries and cultural centers, and the desirability that USIA give visible evidence of the free and open society it represents.
- o The Commission recommends that legislation on diplomatic security require the Department of State to consult with USIA on security policies and programs, on funding levels, and on security standards. The legislation should also provide USIA with the authority and separately identified funds to furnish logistical security support to its separate overseas installations and to perform its own security inspections.
- o The Commission recommends that Congress authorize funds specifically dedicated to providing enhanced security for USIA's separate installations overseas.
- o The Commission recommends that there be a basis in law for the inter-agency security policy-making and coordinating body known as the Overseas Security Policy Group, and that the Department of State be bound by consensus or majority decisions of this body.
- o The Commission recommends that there be an inter-agency agreement between the Department of State and USIA clearly delineating the responsibilities of each in administering overseas security policies and programs.
- o The Commission recommends that flexibility be the guiding principle in determining standards and criteria for the location and protection of USIA's overseas facilities and personnel.
- o The Commission recommends that the Ambassador's Country Team have the primary responsibility in each country for determining the quality of the security threat, the ability of the host government to cope with the threat, and appropriate counter-measures.

- o The Commission recommends that there be no differentiation between U.S. employees and foreign national employees in providing security at their place of work.
- o The Commission recommends that important, long-range security decisions made by an Ambassador be approved by the inter-agency security coordinating body in Washington to ensure that succeeding Chiefs of Mission cannot reverse such decisions without substantive reasons.
- o The Commission believes that the threat of terrorism should not be allowed to deter the United States from conducting public diplomacy. USIA should avoid leaving the field to terrorists by closing its programs and facilities. USIA should also avoid fortifying itself against the dangers of terrorism to such an extent that it becomes isolated from its audiences. USIA should move as quickly as possible to adopt all reasonable security measures without jeopardizing its ability to carry out its mission.

Introduction

The United States is engaged in a war against international terrorism. It is a different kind of war than any we have fought before. The U.S. Information Agency is coming to grips with the problem of carrying out its mandated public diplomacy responsibilities and, at the same time, protecting the security of its personnel and installations abroad in the midst of this war.

Much thought has been given during the past few years about how to cope with this problem. International terrorism and how we fight it have achieved nation-wide attention, largely because of the Beirut and Kuwait car bombings, large-scale kidnappings, hijackings and murders which have directly affected a relatively large number of American citizens. As a result of these events and increased media coverage of them, the war against terrorism and the protection of American lives have become political priorities within the national consciousness.

To address these concerns, the Secretary of State established the Advisory Panel on Overseas Security chaired by Admiral Bobby R. Inman, USN (Ret.). The Inman Panel issued its report in June 1985 with an analysis and recommendations as to how the U.S. Government could better fight international terrorism and protect the security of its overseas personnel, its classified information, and its facilities.

The Panel's substantive and organizational recommendations, for the most part, are excellent. They focus public attention on practical approaches to confronting this new scourge in international life. Some of the recommendations are incorporated in draft legislation.

For USIA, however, the Inman Panel's report has one basic flaw. According to Admiral Inman's testimony before the Senate Foreign Relations Committee on July 16, 1985, the Panel did not complete the job of taking into account USIA's mission and mandated responsibilities -- which differ in some important respects from those of the Department of State and other foreign affairs agencies. Admiral Inman recommended to the Committee that it give this "shortfall" its long-range attention.

This report addresses two issues: one, the draft legislation based on the Inman Panel's recommendations, as that legislation impinges on USIA's mission and responsibilities, and two, thoughts as to how USIA might cope with the dilemma of conducting public diplomacy abroad and at the same time give reasonable protection to its personnel and installations.

The Draft Legislation and its Implementation

At the writing of this report, draft legislation, known as the "Diplomatic Security Act," seeks to implement many of the Inman Panel's recommendations. It places on the Secretary of State overall responsibility for the management of security policies and programs for U.S. civilian personnel and installations overseas. It gives the Secretary the authority, resources, and personnel to carry out this responsibility.

A basic question that concerned the Advisory Commission and USIA Director Wick was the Inman Panel's recommendation that the security services of the various foreign affairs agencies be merged into one Diplomatic Security Service within the Department of State. Would the special needs of public diplomacy be adequately taken into account in such a merger? As Director Wick wrote in a letter of September 30, 1985 to the Secretary of State, "... the [draft] legislation diminishes USIA's ability to protect its own separate facilities and the people who work in them, without offering any assurance that State would be as responsive and effective in dealing on an operational level with our needs as we are at this time."

Even though the proposed legislation does not specifically eliminate USIA's Office of Security (which in any case will continue to have domestic responsibilities) through a merger with the Department's new Diplomatic Security Service, and even though it provides that the Secretary shall act "... in consultation with other agencies having personnel or missions abroad" in developing security policies and programs, the Commission believes the legislation will be strengthened if it takes fully into consideration USIA's special mandate: Public diplomacy means the need to deal with the overseas public, the need for the public to have relatively free access to USIS libraries and cultural centers, and the desirability to give visible evidence of the open and free society that USIA represents.

To meet these needs, the Commission considered a number of options, including recommending legislation that would make the Director of USIA responsible for the security of USIA's personnel and installations overseas. We would have no problem with such an approach, but we understand the Inman Panel's reasoning in seeking to centralize responsibility, authority, and accountability for diplomatic security.

The Commission believes, however, that new security legislation should require at a minimum that the Department of State consult with USIA on security policies and programs, on funding levels, and on security standards. The legislation

should also provide USIA with the authority and separately identified funds to furnish logistical security support to its separate overseas posts and to perform its own security inspections. The Department should have no problem with such an approach in view of the Secretary of State's October 16, 1985 letter to Director Wick which states in part, "I agree that differing standards should be applied to [VOA] relay stations and libraries." The Secretary also asked the Department to work "closely" with USIA "on the development of appropriate security standards, procedures, and funding levels for USIA facilities overseas."

While the draft legislation gives the Secretary of State the responsibility for overseas security policies and programs, it does not make sufficiently clear that the Director of USIA, in executing his mandate for conducting public diplomacy abroad, must play a role in the development and application of security policies and standards to USIA's personnel and programs abroad. Without language in the legislation spelling out this shared responsibility, and without the authorization of resources specifically earmarked to help USIA carry them out, the Department of State would have sole operational authority over USIA's personnel and programs. The Commission strongly believes the Department cannot discharge this authority alone since it lacks the expertise and the mandate for doing so.

Complicating this issue is a bureaucratic dilemma: The tendency of a large and authoritative organization with political and budgetary clout, such as the Department of State, to ignore or to second-guess a smaller and less potent partner, such as USIA, when it comes to engaging in joint ventures.

Experience has demonstrated this principle time and again. In this particular context, the Commission cites two recent examples.

First, in preparing recent supplemental security budgets, the Department of State, according to USIA officials, unilaterally cut USIA's request without consulting or explaining its action to the Agency at the time, and it refused to earmark USIA's remaining portion as specifically applying to the Agency. Further, the Department did not let USIA participate in presenting the supplemental budget request to OMB. This action undermines the Secretary's call for "consultation with and input from USIA of those elements of the program which affect your interests and operations."

A second example is the controversy that developed between State and USIA over long delays in supplying USIA's field posts with emergency radio equipment. This equipment was determined by USIA's Office of Security to be essential to the security of

USIS personnel, but it was assigned a relatively low priority by the Department's Office of Communications. To make matters worse, the Department of State would not permit USIA to purchase its own equipment.

In the Commission's view, the USIA Director's need to share in the responsibility for the security of the Agency's personnel, programs and facilities overseas suggests at least three things. First, under the legislation there needs to be an inter-agency agreement between State and USIA clearly setting forth the dimensions of this joint venture. It should delineate the responsibilities of each agency and its personnel and spell out the services provided one to the other. There is such an agreement currently in existence. It has, according to USIA officers, worked well. It could serve as a model for a new agreement, or it could be continued in force. Above all, the agreement should specify the USIA Director's unilateral authority to remove personnel from a post if it is deemed necessary on security grounds. Without such an agreement, the Commission fears, bureaucratic dissension would impede efficient management of overseas security.

Secondly, there should be a basis in law for the interagency security policy-making and coordinating body, the Overseas Security Policy Group. This body would be chaired by the Department of State as the lead foreign affairs agency, and its executive would be the Department's Diplomatic Security Service. The Department should be bound by consensus or majority decisions of this body, and should not dominate or ignore the interests of the other agencies. Experiences cited earlier in this report, and the expectation that bureaucratic domination by the Department would increase, underscore the need for such an inter-agency body.

Thirdly, the new legislation should include authorization for funds dedicated to providing security services for USIA's installations which are separate from those served by the Department. Lacking such clearly identified funds, USIA would continue to be in the position of a supplicant vis-a-vis the Department. It would be handicapped in its effort to maintain the quality and quantity of security services for USIA's personnel and installations, such as U.S. cultural and information centers, binational centers, and VOA relay stations.

In summary, while there is no question that the Secretary of State should and does have the primary responsibility for the formulation of security policies and standards for overseas posts and personnel, he must take into account the separate mandate of USIA to conduct public diplomacy abroad and the responsibilities of the USIA Director in carrying out this

mandate. Unless this is reflected in the legislation, USIA's responsibilities will be diluted or ignored. Implementation of the legislation should be by inter-agency agreement.

The Commission believes that by adopting these measures, the Secretary's ability to carry out his responsibilities for overseas security and for the protection of U.S. personnel and installations abroad would actually be strengthened.

Coping with Terrorism

The second major issue addressed in this report is the question of how USIA can best execute its public diplomacy mission in the face of continuing terrorism and the need for prudent security measures to protect its employees abroad.

The Inman Panel recommends relocating and "hardening" our overseas missions so as to give them maximum protection against car-bombing attacks. This recommendation is a logical and pragmatic result of threat analyses and recent tragic events involving some U.S. embassies and consulates. But the "relocation-and-hardening" principle runs directly against the "accessibility-and-openness" principle of public diplomacy. While USIA's public diplomacy professionals work closely with the Department of State's traditional diplomats in the execution and promotion of U.S. foreign policy, USIA was established as a separate agency because its responsibilities and operations are different from those of the Department. One of the principal differences between the two foreign affairs agencies is that, unlike State, USIA (through its overseas arm, USIS) deals with the public in foreign countries. It must therefore have access to that public, and foreign publics must have access to USIS personnel and activities.

The Secretary of State recognized this difference when he told USIA's Director that differing standards should be applied to VOA relay stations and to libraries in protecting them against the threat of terrorist attacks. We do not agree that relay stations necessarily require different standards inasmuch as they do not need public accessibility, but we agree completely with the Secretary on USIA's libraries and information centers.

The Secretary also called upon the Department to work closely with USIA in developing appropriate security standards, procedures, and funding levels for Agency facilities overseas. The question of developing appropriate standards, however, is a difficult one, especially in view of the possibility that if U.S. embassies are "hardened" and become more difficult to

assault, the vulnerability of less isolated and less protected highly visible U.S. installations, such as a USIS library or a binational center, may increase.

The Commission suggests that the determination of standards and criteria for the location and protection of USIS facilities be guided by two principles: flexible standards and the expertise of the Country Team.

The Principle of Flexibility

Flexibility in establishing physical criteria for USIS centers is essential, in the Commission's view, if we are to succeed in linking USIA's responsibility to conduct public diplomacy with the need to protect personnel, information and facilities. Flexibility is necessary because the type, quality and extent of the threat differs from country to country (and from city to city in some countries). Timing also plays a role. What in 1984 was a tranquil environment may be a dangerous situation in 1985. The attitude of the host government in its willingness and ability to provide protection is another factor. Moreover, the climate for terrorism to flourish in a given location differs widely as does the potential effectiveness of various countermeasures.

The need for flexibility was expressed pointedly by USIA's Branch Public Affairs Officer in Bombay in reply to a State Department message exhorting the Consulate "to consider a site approximately ten acres, located several miles out in the suburbs, away from the congested downtown area." He writes that the message "... implies that the Washington planners see Bombay as being surrounded by Chevy-Chase and Arlington look-alikes. The reality is that Bombay's suburbs are mainly heavy industry and shanty towns, like Mexico City or Sao Paulo."

The Branch PAO goes on to state:

"Set-backs and campus settings may give some protection from speeding car-bombers, but not from the other available means, like rocket-propelled grenades (as have been tried on the set-back Embassy in New Delhi) or mortars (fired at the Embassy in Lisbon, which is in a park setting) or even mobs (which so easily seized and burned the Embassy in Islamabad, in its splendid isolation).

"There are three aspects of terrorism that concern us: one, the assassination of individual diplomats (the British Deputy High Commissioner in Bombay, a Soviet attache in New Delhi), mob action and demonstrations (of which we have had our share -- and survived so far), and bombing attacks.

"For the first, there is not much we can do but be alert. For the second, our safety lies in the hands of local authorities and in whatever crowd/entrance barriers we can create.

"For the third, I argue that USIS is safer, i.e. less likely to be targetted, when located, as we are, in a downtown, congested people-filled area. My underlying assumption is that terrorists do not want the resultant public reaction, and host government hostility, that bombing a diplomatic installation in downtown Bombay would cause. While maybe cynical, it may be that having crowds of people in and around USIS, as well as Indian police or troops out front, is a better deterrent than sitting, like the proverbial duck, in isolation."

A corollary to the flexibility issue is the question of co-location of USIS installations with other elements of the U.S. Mission.

The Commission believes a step in the right direction is a State Department decision memorandum dated September 27, 1985, "Policy on Locating Agencies in Embassies," addressed to Undersecretary Ronald Spiers by Assistant Secretaries Robert Lamb and Donald Bouchard. The memorandum, however, was promulgated without USIA's clearance -- still another example of the Department's tendency to ignore the Agency in joint ventures.

This memorandum, which confines itself to the construction of new facilities, states that "... all U.S. Government activities under the authority of the Chief of Mission located in the capital should be housed in the chancery except where there are persuasive operational, program or security reasons to locate them elsewhere." Among the exceptions to this policy are "offices which generate large amounts of public traffic and which for program reasons want to put some distance between these programs and the embassy" (USIA libraries and binational centers); and "offices which are impractical to move" (VOA relay stations). VOA's correspondent bureaus should also be included among the exceptions.

The exceptions that are specified in the memorandum should satisfy USIA's concerns with regard to co-location. At the same time, the Commission believes co-location of the PAO's office, particularly in large embassies, encourages consolidation of mission activities and improves inter-agency coordination. It also enhances the PAC's ability to serve the Ambassador and the mission in the important role of public affairs advisor.

One other point of possible misunderstanding should be clarified. Both USIA and the State Department profess not to discriminate between U.S. and foreign national employees in providing physical security. A misunderstanding regarding the principle of equal protection may have arisen as a result of the Department's concern for protecting privileged or classified information, for which reason it does restrict files and equipment from access by foreign nationals. Certain separate security measures for U.S. employees and their offices vis-a-vis foreign nationals therefore are not a matter of physical security against terrorist attack but a means to protect classified information and equipment. This point is worth emphasizing inasmuch as there is unanimity among USIA's field officers that there must not be any discrimination between American and foreign national employees in providing physical security at their place of work.

Flexibility is fundamental to USIA's ability to function effectively. The Secretary of State's acknowledgment of the need for different standards for USIA's centers and libraries and his call for the Department to work with USIA on this issue does not seem to have trickled down to the working level in the Office of Security and the Foreign Buildings Office of the Department of State. The Bombay example cited previously is not the only one that vexes USIA. A proposed USIS Center in Dhaka, as of this writing, is still being treated by the Department in accordance with the rigid standards established for embassies -- i.e. a 100 foot set-back or nothing. Flexibility must not only be accepted as a principle, it must be put into practice by those charged with responsibility.

The Principle of Country Team Expertise

The Commission believes the best repository of expertise on terrorism and security in a given country is the Country Team under the leadership of the Chief of Mission. The latter ultimately carries the responsibility for the security of an embassy and its personnel as delegated by the Secretary of State. The Ambassador and the Country Team are in the best position to determine the quality of the security threat, the ability of the host government to cope with it, and appropriate counter-measures.

The Country Team, which includes the Ambassador's principal advisors and senior heads of embassy elements, has the experience, knowledge, specialized responsibilities, intelligence information, and political judgments necessary to make intelligent, practical and timely decisions. Washington is too distant and encumbered by too many bureaucratic and

political pressures to have primary responsibility for these decisions. The Ambassador, the Regional Security Officer and the PAO need to utilize, of course, the technical and policy advice that only the Washington security community can provide. We recommend that important, long-range decisions made by an Ambassador be confirmed and approved by whatever inter-agency security coordinating mechanism is set up in Washington. This is necessary to provide continuity in the decision-making process so that a succeeding Chief of Mission or PAO cannot reverse or substantially modify a predecessor's decisions without substantive reasons. It also permits the U.S. Government to establish priorities in providing funding and other resources.

USIA's Approach to Security

The Commission submitted a number of questions to USIA on overseas security and its impact on the Agency's personnel, installations and programs. The replies we received are a compendium of views submitted by USIA's five geographic area directors. By extension, these views represent the considered thought of many of USIA's experienced professionals overseas.

The Commission believes it is the conviction of the majority of USIA's Foreign Service Officers that "terrorism cannot be allowed to deter us from doing our job." When a library is closed for security reasons, the terrorists have won. In practical terms this means that USIA should avoid closing up or being driven out of a country for fear of terrorism. Another extreme, which would have a similar effect, would be to protect USIA's centers and libraries against the danger of terrorism to such an extent that they become isolated from their audiences, thereby advertising a siege mentality that contrasts with the open society USIA represents.

These are unacceptable extremes. In between, most professional public diplomats want to find ways to conduct their business in reasonable safety. They recognize there are certain risks, risks which have been present for many years. Reasonable precautions and protection are what most employees seek. This is where flexibility in establishing security standards and Country Team expertise enter the scene. For instance, there will be situations, such as in Cali and Medellin, Colombia, where the threat is so great and the ability to protect USIA's officers so nearly impossible, that the Agency must pull out. And there will be situations where the cost of protecting ourselves against terrorism is so high that other ways of conducting public diplomacy must be explored, ways that might be possible in one country but impractical or impossible in another.

What most USIA Foreign Service Officers find difficult to accept is that relatively inexpensive and prudent precautions are delayed for inordinate lengths of time or are rejected, while costly and difficult standards are established that may protect against 4,000 pound car bombs but do little to deter a common thief. Two examples will suffice.

First, almost all PAOs located in Western Europe have for some time been alert to the possibility of kidnapping and assassination and have been instructed on how to minimize the danger. Most PAOs felt they were exposed to danger by being forced to ride in big black American-manufactured vehicles with diplomatic license plates. Some suggested repeatedly they be permitted to drive less conspicuous, commonly used European models with, preferably, local non-diplomatic license plates. Armor-plated vehicles were a much lower priority. PAOs were told that Congress was adamant regarding enforcement of the Buy America Act and that the Department and USIA could do nothing about it. That was 1980. The following year PAOs were informed the Agency agreed with them, but they would have to wait until the Department changed its procurement procedures. In 1984 the posts were informed that in principle their recommendation to convert to European-made cars was approved, but they could go ahead only when funds became available. Finally, a full five frustrating years later, Washington was permitting personnel to procure locally made vehicles, and fully armored cars were being provided to some PAOs.

The second example, mentioned earlier, is the frustration that USIA's Office of Security experienced in persuading the Department's Office of Communication to distribute emergency radio equipment to some USIS officers.

Lack of satisfaction on some of these relatively inexpensive, pragmatic recommendations, and priority treatment for representatives of other agencies in the assignment of protective measures, contributes to a sense of cynicism on the part of some PAOs, especially when they reflect on the huge expenditures planned for relocating and building new embassies.

If embassies are relocated and hardened and USIA's centers remain in their central urban locations, they might indeed become more vulnerable. Even now USIS installations in several countries have been more frequent targets of violence than embassies and consulates, although such violence has not been on the level of car bombings. The requirement that USIS libraries and centers be accessible to the public does not mean that security at these facilities cannot be strengthened. The Agency's comment on this to the Commission is a reasonable one:

"The possibility that our facilities may be targetted more often as our embassies become less vulnerable makes it all the more important that we take every security measure we can, wherever we can, without jeopardizing our ability to carry out our mission."

The Agency must also consider new ways of conducting its business in situations where it may be too dangerous to maintain its open centers and libraries but where moving them to "hardened," distantly located embassy compounds would not be cost-effective. American speakers can be scheduled on local premises under local sponsorship as is often done now. In extreme cases, modern technology (computer services, word processors, micro-processing, telecommunications) could substitute for public access to centers, and USIS services could be provided from the chancery directly to the most important audiences. None of these are optimum alternatives, but they may be preferable to closing down entirely or to expending tremendous resources for providing a "safe" environment.

The main point is that the PAO, the Country Team and Agency professionals must work together to plan for the long term as well as for the short term, conscious of the fact that there will always be some risks but aware of the various options which ought to be considered.

In response to the Commission's question about public reaction to the security measures being taken at USIS installations, there appears to be a consensus among USIS personnel abroad that reasonable precautions are accepted by most patrons. In most cases, these safeguards are appreciated, especially in those locations where violence has taken place or has been threatened.

A measured approach, however, is required. USIS must avoid offending important and well-known patrons by body searches. USIS must avoid creating apprehension by giving the impression that it knows of dangers of which the general public is unaware. USIS must avoid repelling patrons by instituting measures which are out of proportion to the perceived threat and are more severe than those in place at local institutions exposed to a similar threat. Few people object to metal detectors and package checking these days, especially when such inconveniences are explained in understandable terms, and when the threat perception is shared by the public.

One caveat must be kept in mind. In Iron Curtain posts and in other totalitarian countries -- where acts of terrorism are less frequent and where patrons may already take a political risk in coming to a USIS library or attending a USIS function -- USIS should not increase that risk or repel attendance by instituting procedures granting local authorities easy access to visitors' identities. Again, this is a question of weighing the threat against the obligation of USIS to carry out its mission under difficult conditions.

USIA has proposed major increases in its security budget. The Commission is concerned, however, that this budget and its justifications are not being given adequate consideration by the Department of State. It is for this reason the Commission has proposed that USIA's security budget be specifically earmarked in the proposed legislation.

In response to the Commission's question about the morale of American and foreign national employees in the face of the increased terrorist threat, we summarize here the replies of Agency officers in various foreign posts:

- There is always a risk which most employees accept;
- It is impossible to conduct public diplomacy from behind barred doors;
- Reasonable security precautions are accepted and appreciated as long as they are not considered excessive in terms of the perceived threat;
- Protective security measures at our working places must be administered for U.S. and foreign national employees so as to give them equal protection;
- USIS employees should be given equal consideration in threat assessment and protection vis-a-vis other USG employees at the post or U.S. official visitors from Washington;
- The practical recommendations of USIS employees in the field and the reasonable security measures suggested for USIS posts by USIA's Office of Security should not be ignored or relegated to lower priority by the Department of State; and
- Better and increased training, primarily of foreign national employees, including sensitivity training for those engaged in guarding USIS installations, would enhance their feeling of belonging, involvement and commitment and contribute to the good morale of USIS staffs.

Finally, long-term planning requires that USIS continue to identify its own particular security needs in terms of general threat assessments, while at the same time describing clearly and forcefully the nature of USIA's public affairs responsibilities to other parts of the foreign affairs community and to the Congress. As one PAO suggests, if necessary "we must prepare to conduct our business in ways which differ radically from our current style of operations." In general, however, the Commission takes the position that USIA must maintain libraries, cultural, information and binational centers wherever they are effective and wherever security permits. USIA, the Department of State, Congress and the American people should not accept less.

Edwin J. Feulner Jr.

Don't Let Security Hide Our Light

Safer embassies, yes—but the USIA must stay out among the people.

The Beirut embassy bombings have had a traumatic but perhaps ultimately beneficial impact on how U.S. diplomatic personnel and facilities overseas will be protected in the future.

Strict new State Department security standards are being applied to all U.S. agencies overseas. Central to this undertaking is the wholesale relocation of U.S. embassies and other facilities.

There is a danger, however, in such an undertaking. It involves the United States Information Agency, the agency charged with carrying out U.S. information, cultural, and educational exchange programs overseas.

In the case of the USIA, the issue of "security" is not as clear-cut as it is for the Department of State. USIA, unlike State, is an agency whose efforts are directed primarily at foreign people, as opposed to foreign governments. USIA's programs reach not only government officials, but influential journalists, scholars, students, artists, political figures, business and labor leaders and other opinion-makers. Its audience goes beyond the elite to thousands of individuals who read in USIA libraries, apply for Fulbright grants or attend USIA-sponsored lectures and performing arts presentations.

To be effective, USIA's offices and facilities must be accessible. Its centers, libraries, and press offices must be convenient to those they are intended to serve. They must be open to the public. In almost all cases this means locating them in major urban areas, usually center-city locations—the very locations, in fact, where the standards of physical security sought by State and others are most difficult to achieve.

U.S. embassies have a more passive role. They do not need to actively seek out foreign visa applicants,

U.S. citizens in distress and other petitioners.

Consider a hypothetical U.S. mission in a typical South Asian capital. Almost all media, cultural, political, business, and educational activities are centered deep in this urban area. Buildings there are generally old, crowded, poorly constructed, overpriced, with an occupancy rate of nearly 100 percent. The idea of a 100-foot "scorcher" from the street, a wallhead of, as is being able to buy, lease, or build a modern free-standing structure with the kind of security features the State Department wants.

The U.S. Embassy in this country is being moved seven miles out of the city center to a new, secure diplomatic enclave the host government is developing. Hardened-foot structures are easily obtained, as are new, custom-designed security pressures USIA to put it in the move.

There is only one thing wrong with this. USIA's public affairs officer knows that by retreating to the suburban enclave, the agency will become inaccessible to most of the people it is trying to reach. The new, highly secure Information Section will have few local journalists visiting, because the capital's working journalists are downtown, close to their newsrooms in the center city, too pressed for time and too financially strapped to make the long trip out of town. The beautiful, new, secure USIA library will no longer have the readership of the thousands of eager students who cannot afford public transportation to the suburbs. The new, secure USIA cultural center will draw tiny audiences of diplomats, government officials and wealthy suburban dwellers, while the hundreds who once came to see USIA-sponsored films or to hear lectures will be miles away.

Based on my discussions with USIA officers around the

world, I can say that this hypothetical situation is quite typical of what would happen at many overseas posts.

Washington's heightened attention to the bonding and organizational requirements of ensuring the safety of diplomats is welcome and overdue. It is important, though, that equally wise policies appropriate to public diplomacy—the mission of USIA—also be adopted.

This can best be achieved by selective and flexible application, on a case-by-case basis, of State Department security standards. In many instances this will mean waivers for USIA's libraries and centers in countries where U.S. embassies are being relocated.

It also means taking every prudent precaution against threat assessments country by country, effective security bonding, danger pay and other additional compensation for USIA's officers, commensurate with the risks taken. In fact, this is very similar to the policy USIA has followed for years, a policy that has worked well.

Terrorism is not new to USIA. It is something the agency has learned to deal with, even when it has meant closing centers (four in Latin America in the late 1960s and early 1970s) or curtailing their operations (Brazil in this decade). Wholesale retreat to safe, but inaccessible, enclaves is not the answer.

Personal contact with global opinion leaders is essential to the conduct of American foreign policy. USIA's outreach should not be limited to such safe but impractical programs as the Voice of America and Worldnet television broadcasts.

The writer is chairman of the U.S. Advisory Commission on Public Diplomacy.

THE SECRETARY OF STATE
WASHINGTON

October 16, 1985

Dear Charlie:

Thank you for your letter of September 30, 1985 concerning the draft legislation to implement the Inman Panel's recommendations on security.

I understand your concerns and agree that it is important that we discuss how the proposed legislation would be applied to USIA. The draft Bill fixes overall responsibility and authority for the management and direction of the US civilian security program overseas on the Secretary of State.

The Inman Panel made it clear during the course of its work that the security program was overly fragmented and without a sufficiently clear chain of command to permit good management and maximum protection for our personnel overseas.

Neither the Congress nor the American public understands or can be expected to condone confusion in security responsibility, authority or hierarchy. The Inman Panel recommendation is an attempt to save us all from any semblance of confusion or misunderstanding on this important question. The basic goal envisioned by the Panel in this recommendation was to ensure that all American officials and their dependents serving overseas would benefit equally from an effective and responsive security program designed to protect them against the numerous terrorist and other security-related threats that unfortunately exist in the overseas environment. I share that concern.

With that objective in mind, I want State to work closely with your people on the development of appropriate security standards, procedures, and funding levels for USIA facilities overseas.

The Honorable
Charles Z. Wick, Director,
United States Information Agency.

Prepared Statement of Ronald I. Spiers

Mr. Chairman, Members of the Committee:

I am here today to present the President's proposal to strengthen the physical and technical security of the diplomatic operations of the United States at home and abroad.

This program is one of the very highest priorities of the President and, as you know, enjoys his personal support. On March 17, 1986, the President put this into words in a letter saying:

"Americans serving overseas need adequate protection to carry out their mission safely. This is a year of great budget stringency, but the well-being of our people is of the utmost importance. That is why I have included this vital security program in my Budget for Fiscal Year 1987 as one of our highest foreign policy priorities.

This is yet another part of our overall program to combat international terrorism. I urge speedy enactment of the legislation necessary to start this program."

This personal support of the President is reflected in the high priority attached to this program in the Budget of the United States submitted earlier this year and is illustrated by its prominent inclusion in the budget document entitled, "Major Policy Initiatives, FY-1987." With your permission, Mr. Chairman, I attach a copy of the relevant portion of that publication for the record.

Mr. Chairman, the Administration's proposals are based on the recommendations of the Advisory Panel on Overseas Security, and much work and thought in the Department and other interested agencies.

Similarly, as you know, the Secretary has personally been strongly behind this program from the beginning. On June 24, 1985, he testified before another committee that he was ". . . extremely pleased" with the Advisory Panel's work. He added, ". . . the security program is essential, fundamental, and we have to do it. It is a big ticket item, but rebuilding our most vulnerable facilities is the single most effective means of ensuring the safety of our personnel, and I strongly urge your support for it."

We are here with an Administration bill and budget strongly supported by the President and the Secretary. And I should add strongly supported in today's budget context and climate. The program proposed by the President is fully consistent with the Gramm-Rudman-Hollings budget requirements. It represents a conscious and deliberate choice on the part of the President to fund this program and not some others. I am here today to ask you to support the Administration's overseas security program and to act on this bill, to keep faith with our people overseas. Every day we delay, Americans remain at risk.

Over the past few years the attention of the world has been riveted to terrorist dramas unfolding around the globe. This is a new and long-term phenomenon, one with which civilized nations and civilized peoples are inadequately equipped to deal. That can and must change. We must do everything we can to thwart those who seek to advance their ends through terror. We must protect official Americans and their dependents from these criminal activities.

We in the State Department and our colleagues from other agencies serving abroad are on the front line. Our friends and colleagues have been victims of this violence. But the challenge of terrorism has strengthened our determination. The courage and patriotism of our people and their families in the face of these dangers are inspiring.

We must ensure the safety of the people and facilities of all agencies abroad. In this period of budgetary stringency, this task must be a priority. Therefore we have designed a program which in our view is prudent, thoroughly thought out, effective in its commitment of resources -- and responsive to the inescapable necessity we now face.

The United States has always built handsome and accessible embassies and consulates abroad. Our object was to be easily accessible -- to demonstrate to other peoples the openness of our society and the hand of friendship we extend to all. We wanted the local populace to feel welcome and comfortable in entering our buildings. This is one aspect of the job we do overseas, and we have been highly successful at it. We are now faced with a new situation: The current security and terrorist problems have left those same buildings vulnerable. Our challenge is to strengthen our security against the new dangers so that we can maintain our tradition of openness and accessibility. We will not let the terrorists win their victory by isolating us, forcing us to close our doors, or denying us our contacts with the peoples of the countries in which we are represented.

The Advisory Panel on Overseas Security

With this goal in mind, the Secretary formed the Advisory Panel on Overseas Security, chaired by Admiral Inman. The Secretary asked the Panel to take a hard look at our security and counter-terrorism programs and to give him ideas and recommendations.

The hard work and dedication of the Panel is clearly reflected in the quality of its report. The Panel exhaustively researched all aspects of our security and counter-terrorism programs. Its recommendations have vision and, perhaps more importantly, are practical. They are recommendations which, with your support, are achievable.

The recommendations focused on three central points:

-- that a Bureau of Diplomatic Security with a Diplomatic Security Service be established in the Department to increase the professionalism of our security personnel and programs;

-- that the Secretary of State's overall responsibility and that of the Chiefs of Mission for overseas security programs be emphasized because such supervision is fundamental to good management; and

-- that significant new resources be made available for a comprehensive worldwide security program to protect all government employees abroad. A key element here is a major multi-year construction program to rebuild or replace embassies and consulates overseas which fall significantly below our physical and technical security standards. Other elements are the upgrading of our communications to state-of-the art technology so they are faster and more secure, and improved intelligence-sharing with host governments and within our own government.

Actions Taken

The Bureau of Diplomatic Security and the Diplomatic Security Service have been established, with your support, through reprogramming of funds. In addition, using existing funds and authorities, we have already:

- started an ambitious recruitment campaign to bring on board nearly 300 new security agents during FY-86 and to more than double the number of overseas security officers before the end of this fiscal year;
- significantly improved training for security agents;
- streamlined threat-alert procedures and improved sharing of intelligence;

- increased the number of local guards worldwide;
- added more Marines and Marine Guard detachments to posts;
- nearly tripled the size of our armored vehicle fleet overseas;
- made significant physical security improvements at 152 posts in 1985; and
- dispatched mobile training teams to high-threat posts to provide specialized security training to U.S. Government personnel, dependents and Foreign Service Nationals.

Administration's Proposals

The Administration's proposals now before you will, in addition, do three things:

First, they would authorize a five-year construction program to replace or upgrade our most vulnerable posts; and further authorize improvements in communications and intelligence-sharing, all as recommended by the Inman Panel.

Second, our proposals would complete the reorganization of our security program as recommended by providing for a new Assistant Secretary of State to head a Bureau of Diplomatic Security, and for a Director of the Diplomatic Security Service. The bureau would be responsible for all operational aspects of our security program.

In one respect we have gone beyond the recommendations of the Inman Panel. Where the Panel favored placing the policy arm of our counterterrorism effort with the Under Secretary for Political Affairs, we have, through reprogramming, created an Ambassador-at-Large for counter-terrorism reporting directly to the Secretary. Before this reorganization last November 4, this policy function rested with an office reporting to the Under Secretary for Management. This reorganization demonstrates the high priority we place on counter-terrorism; it strengthens the interagency role of this key office on the many issues on which the State Department is the lead agency.

Third, our proposals would revise and clarify the chain of command for overseas security, fixing supervisory responsibility directly on the Chief of Mission and the Secretary of State. They would also formalize and expand the current process by which responsible officials are held accountable for their actions -- or inaction. We would now have an automatic investigation whenever there is a security breach that results in serious bodily injury, loss of life, or significant damage to our property.

Although the draft Bill requests "such sums as may be necessary", the Administration's total authorization funding requirement for this program is \$4.4 billion spread over five years. Of this total, \$2.7 billion is for construction, and the balance is for related operating expenses including security officers, residential security improvements and more secure communications equipment. In Fiscal Year 1986 the Administration is requesting \$237 million for salaries and expenses and \$455 million for construction. In FY year 1987, the Administration is requesting \$304 million for salaries and expenses and \$1.1 billion for construction for this program.

The Construction Program

The Inman Panel recommended several new security standards -- a 100 feet set-back, for example. The Secretary has accepted these standards, and the set-back will be a goal for our buildings, wherever feasible. Many posts do not meet these standards; thus a new building program is needed.

Many posts front onto busy streets. Some have extensive glass facades. Often we share office buildings with other organizations and businesses. In still other cases our embassies and consulates share walls with non-U.S. government tenants. All this is clearly and generally undesirable and now simply unacceptable in a great many situations.

The program places its highest priority on buildings at locations where the security threat is greatest and which are substantially below the new standards.

Great effort has gone into creating a security construction program which would ensure that buildings are designed and built to meet stringent security standards, on time and within budget. It was clear from the outset that a massive expansion of the staff of our Foreign Buildings Office to implement such a major program was not the answer. We have, instead, developed an implementation plan based on the following policies:

- use of "fast track" and "design/build" methods to accelerate the design and construction process so that projects can be completed more quickly than was possible under previous programs;
- use of risk analysis, constructability and value engineering reviews to ensure that design requirements are compatible with local conditions, material availability and technical capabilities, and are cost-effective;
- upgrade of construction contractor qualification requirements to ensure that construction awards are made to contractors with the financial, organizational and technical qualifications necessary for successful completion of a major overseas building program;
- allocation of sufficient resources to on-site construction oversight and inspection to ensure that buildings are constructed to required standards; and
- implementation of recommendations from a major research program undertaken for our Foreign Buildings Office by the National Academy of Sciences; recommendations are concerned with security-related issues in virtually every aspect of the planning, design, construction and management of the State Department's overseas building program.

The private sector will play a key role in ensuring effective management and implementation of the building program. We have issued a Request for Proposals for professional private sector program support services in the areas of program, design and engineering, construction, operations and security management.

We will be ready to enter into a contract with our first private sector program manager immediately upon receipt of an authorization and appropriation from the Congress.

Bureau of Diplomatic Security

As I said earlier, this legislation would complete the reorganization of security responsibilities in the Department recommended by the Inman Panel by: 1) providing for an Assistant Secretary of State to head the new Bureau of Diplomatic Security; 2) creating a Director of the Diplomatic Security Service; 3) establishing several special job-related requirements for membership in the Diplomatic Security Service; and 4) increasing our emphasis on key operational security programs.

The security program under the new Bureau will improve:

- the security of the homes of our people and their families overseas;
- perimeter security at our facilities;
- technical security to strengthen our ability to cope with the unprecedented threat of sophisticated penetration systems used by hostile intelligence services against our facilities abroad;
- protection of foreign dignitaries in the United States;
- qualifications and performance of our local guards at overseas posts;
- professionalism and training for our security personnel; and
- security at Moscow and other East European posts by, among other things, substituting Americans for a substantial number of local employees now working in support positions.

Diplomatic Security Service

We envision the Diplomatic Security Service as a highly professional security organization with the recognition and respect that brings. The Panel called for increased professional training, physical fitness standards, and an identifiable career structure within the Foreign Service for the Department's security cadre. The Secretary strongly supports these recommendations.

The Diplomatic Security Service is to be staffed by drawing upon the existing Foreign Service and Civil Service personnel systems. This proposal will not create a new personnel system. Rather it identifies a category of employees in the same manner as do the designations "Political Officer" or "Economic Officer." Qualifications required for assignment or appointment to positions in the Diplomatic Security Service will be prescribed by the Secretary of State. In the case of security officers, the position qualifications may include minimum and maximum entry age limitations--perhaps 21 years minimum and 35 years maximum as commonly found in organizations with security-related responsibilities.

In addition, the position qualifications for security officers will incorporate the standards now required by law to carry out our security functions and to exercise the Department's law enforcement authorities. As security officers perform such unique functions as protecting lives and carrying firearms in certain situations, the Secretary will be authorized to issue regulations providing for special disciplinary procedures. This is a common practice among organizations with security-related responsibilities.

The Chain of Command

The Inman Panel concluded that management of the security program was overly fragmented and that the chain of command ought to be revised so that the resulting sharper supervisory focus would encourage better management and protection of U.S. government personnel overseas.

Therefore, the Administration's proposed legislation fixes overall responsibility and authority for the management and direction of the U.S. security program overseas on the Secretary of State and, through him, the Ambassador at post.

We are working closely with other agencies to develop and agree upon appropriate security standards, procedures, and resource levels that are responsive to the needs of all U.S. government agencies having facilities overseas except for military bases. Physical security standards and procedures for USIA libraries and relay stations, as well as AID and other facilities located separately from Embassies and consulates, may differ from those applied to embassies, consulates, and diplomatic residences. But the Ambassador at post, and through him, the Department, will have central responsibility for security at these facilities as well as our embassies.

This proposal does not affect the Washington-based security offices of other agencies. There is sound management justification for each agency having its own security advisors in Washington. These advisors play an important role within their agencies, and we need their help in planning and implementing this program.

The Administration's proposal also does not affect the authority or responsibility of any other Federal, State or local agency with respect to law enforcement, domestic security operations, intelligence activities as defined by Executive Order, or the provision of protective services by the Secret Service.

In reviewing the security chain of command, the Inman Panel recommended that we have a procedure established in law to draw lessons from security disasters or to fix individual responsibility, if any, for such incidents. The Administration agrees, and this proposal expands our current procedures by creating Accountability Review Boards to investigate incidents involving serious injury, loss of life, or significant destruction of property at or related to U.S. government missions abroad (other than military installations). Such boards would not only make findings relating to security generally, but they would also determine if a breach of duty by an individual employee contributed to the incident. The employing agency would review and act on the findings of the board.

Conclusion

Mr. Chairman, the Administration is proposing a major, national program to improve the physical and technical security of all the departments and agencies abroad, as well as the physical security of foreign missions and officials in this country. This proposed legislation is the product of long, hard work to which many agencies have contributed and is intended to meet their requirements. Important contributions have come from AID, USIA, CIA, Justice, Defense, OPM, OMB, Commerce, Agriculture, and Treasury.

Our proposal's overriding goal is to maintain the security of our overseas posts and staffs in a way that is consistent with the diverse programs preferred by the agencies working abroad under the embassy umbrella. The program I have outlined today is intended to ensure this openness in light of the dangers of today's world. We must not forget that one of the purposes of our overseas presence is to spread our message and communicate our ideals to other nations. Our interests are not served by overwhelming our hosts with the aura of our power by erecting forbidding fortresses.

The Administration's proposed program will not solve all of our security problems. But we can minimize them. Our proposal is a comprehensive--and long overdue--security program which addresses our most basic security concerns. We will need to continue to supplement our limited resources with vigilance and effective intelligence to enhance the security of our posts and the effectiveness, as well as the safety, of our missions abroad.

The President and his Administration place the highest priority on this program. I am here today to ask you to enact it, to keep faith with our people overseas.



EXECUTIVE OFFICE OF
THE PRESIDENT
OFFICE OF MANAGEMENT
AND BUDGET

MAJOR POLICY INITIATIVES

FISCAL YEAR

1987

DIPLOMATIC SECURITY

Department of State

The Department of State is generally responsible for the security of U.S. officials and employees abroad, except those under military commands. Following a series of attacks on our diplomatic facilities abroad, a 5-year program costing \$4.4 billion has been developed to upgrade substantially the security of diplomatic operations.

FUNDING SUMMARY *							
(In millions of dollars)							
	1985	1986	1987	1988	1989	1990	1991
Current services:							
Budget authority	531	452	328	340	352	362	370
Outlays	208	466	410	421	395	363	362
President's budget:							
Budget authority	n.a.	1,159	1,747	1,271	1,197	857	787
Outlays	n.a.	553	1,038	1,152	1,408	1,424	1,206
Increase from current services:							
Outlays	n.a.	87	628	731	1,013	1,061	844

PROGRAM HISTORY AND CURRENT STATUS

The security of diplomatic missions has been of increased concern since several incidents of kidnapping, assassination, and mob violence in the 1970's. Although significant protective measures have been taken to counter that problem, the greatly heightened threat in this decade of terrorist bombing of embassies and assassination of officials requires extraordinary new responses.

- In 1982 an effort was undertaken to increase perimeter, entrance, and interior security at embassies and consulates, especially in unstable countries or countries having unfriendly relations with the United States.
- The second bombing of the embassy in Beirut in the fall of 1984 demonstrated that more substantial steps were required. Within weeks, the administration sought and Congress appropriated the first \$110 million of what was to be a \$343 million security supplemental. State began to pull together a top management team to upgrade security.

In June 1985 an advisory panel on overseas security completed a detailed analysis of the security of U.S. diplomatic missions and made major recommendations. During the past year, the State Department used the advisory panel's recommendations to develop a detailed program for administration consideration, which is embodied in the 1987 budget.

ADMINISTRATION PROPOSAL

The administration proposes a 5-year effort to improve the security of diplomatic activity in the United States and abroad. The major features of the plan are:

- consolidation of overseas diplomatic security responsibilities in the Department of State and creation of a new bureau for this purpose;
- includes ongoing security efforts in addition to the 5-year security program.

- establishment of a board of inquiry/accountability to review security breaches and recommend action against negligent personnel;
- increased protection of foreign official visitors and diplomats in the United States;
- replacement or modification of many diplomatic facilities that do not meet minimum security standards and strengthening of residential security for employees at high threat diplomatic posts;
- increased staffing, training, and professionalism for State Department security personnel; and
- additional and improved security and communications equipment to reduce the vulnerability of U.S. diplomatic missions.

The initiative will be budgeted over a 5-year period but will require 2 or 3 additional years to complete. Given the long lead time to complete new facilities and to improve security staffing and training, it is necessary to request \$707 million of supplemental funds in 1986 and \$1.7 billion in 1987. While the completion of this plan will not absolutely guarantee the safety of U.S. diplomatic personnel or facilities, it will greatly increase the Government's ability to conduct diplomatic relations in an orderly and safe manner.

PREPARED STATEMENT OF ROBERT F. MESSMER, AIA DIRECTOR,
CRIMINAL JUSTICE PLANNING, SECURITY SOURCE ONE

Mr. Chairman:

I would like to address the architectural impact of the Inman Report. I am a Director of Security Source One, (SSO) A Design/Equip/Build Firm currently designing the perimeter security enhancement of our embassy facilities in San Jose, Panama City, Tegucigalpa and Guatemala City.

These hearings are especially timely in the aftermath of our retaliatory strike against Libya. Hardly a week goes by without news of terrorist strikes against Americans, often at U.S. facilities overseas. Embassies and chanceries, as well as buildings occupied by such agencies as USAID and USIA, are now the most visible targets for radical elements often willing to trade their lives for the chance to make a fleeting political statement.

Terrorism is a fact of life that will remain part of the international scene for the foreseeable future, and for many nations, their most effective form of warfare. As a frequent target, the United States must respond to the threats—for the safety of its citizens, for the success of its diplomacy, and for its integrity as a sovereign nation.

Because of their special design skills, architects have a central role to play in our response to terrorism. The architect selected to design a foreign facility will be the key player in eliminating many of the unknowns before problems occur. The architect's role is to define and communicate the facility's size, functions, and costs. This definition process—assessing needs and defining the scope of the project—becomes the basis for the architectural program, conceptual drawings, and specifications from which the facility will be constructed. The architect serves as creative director, advisor and coordinator as the project moves to completion.

The architect must answer many competing, difficult-to-reconcile demands. Buildings, whether new or existing, must be sensitive to their immediate surroundings and to the national context of their host countries. As the policy developed in 1954 for the State Department's Foreign Buildings Office states, "These facilities should create good will because of their excellent architectural design and their appropriateness to the site and country..." And, of course, the buildings must function as efficient places to do business or as suitable places for U.S. personnel to live. In short, the architect faces the multiple challenges of securing buildings against terrorist attacks while making them work as offices or residences, advancing sound architectural values and principles, and promoting through each project, positive diplomatic expressions of the United States' good will.

In meeting these challenges, the architect confronts many detailed interior and exterior security considerations on which the success or failure of the particular project rests. Let me describe a few of these considerations:

Security of the site during the construction phase to prevent compromise or sabotage of the project is important. This issue raises important questions about the nature of the site, work-site procedures, the construction workforce, and the frequency and nature of inspections.

Since a building is composed of many components and systems, many of which are highly sophisticated, the interaction of these elements as they accomplish their disparate functions has great significance for a building's ability to withstand threats. Just to locate compatible systems and components can pose a difficult task.

Interior design and planning are as important to a building's security as its outside features. Considerations surrounding security-conscious building interiors include the grouping of employee functions for efficiency and safety, protection of individual work stations, intergration of building materials, assessments of the sensitivity of particular employee functions and susceptibility of the most sensitive functions to building penetration, and the extent to which floor layout contributes to a comprehensive security plan.

As a lesson for overseas construction programs, the security features surrounding the White House, the Department of State, the Treasury Building, and others and including the most recent plan for securing the U.S. capitol, which consist of barriers, walls, and fences, reveal a concern for security, but little interest in complementing the buildings they protect. And in the opinion of some, these features don't even provide very good protection, especially from head-on attack. In presenting a warning against potential attack, these barriers turn a cold, foreboding face to the American public. They diminish the special quality of these buildings as unique structures symbolizing American democracy. In so doing, they deprive city residents and visitors of an architectural experience closely related to their experience as American citizens. The White House today looks imprisoned in its own ring of concrete. This does not have to be. Good architecture and good security are not mutually exclusive.

In response to the frequent incidence of terrorist attack on U.S. overseas diplomatic and related facilities, and the perceived vulnerability of these facilities, the Secretary of State appointed the Advisory Panel on Overseas Security. It was chaired by retired Admiral Bobby Inman, and included a distinguished and knowledgeable membership. An important focus of the panel's report, issued in June 1985, is a vigorous, expanded program of new construction and renovation of overseas buildings.

According to the report. "The Panel believes that it is essential that a substantial relocation and building program be initiated and carried out with dispatch."

The report goes on to point out that as many as 126 State Department buildings, and another 216 separate USIA, Foreign Commercial Service, and AID offices would require replacement or varying degrees of renovation because they fail to satisfy one or more of three basic security concerns 1) the Department's current minimum physical security standards for construction quality and distance from the external perimeter barriers; 2) sharing of a "common wall" with adjacent structures; and 3) sharing of the structure with other non-U.S. Government tenants, which means a lack of full control of the building.

We note that the 4 plus billion, 5-year building program the report recommends is adequate only for the 126 deficient State Department buildings, but the report also calls for inclusion of the facilities of other foreign affairs agencies in an overall effort to make facilities and their personnel more safe. Obviously, either more money must be found to accommodate all of the buildings in need of renovation or improvement, or priorities among the agencies' buildings will have to be established. Careful risk analysis and capital budgeting procedures, as the report recommends, can be important determinants of building priorities. We agree with the report's view and caution that enhancing the safety of some sites may direct attention of terrorists to other sites given lower priority in the building program or to non-diplomatic, private sector facilities occupied by Americans.

The report also expresses support for a single set of physical security standards for all foreign affairs agencies, but acknowledges limitations on this proposal deriving from different building types, uses, and locations among the different agencies. The report goes on to note that USIA, AID, and the Foreign Commercial Service are all currently engaged in reviewing facility security and developing physical security standards.

There are security needs and considerations common to all buildings, but a USIA library, for example, must differ substantially in security details from an embassy.

The foreign affairs agencies involved must, of course, consult with each other regarding the goal of developing, first, a set of common physical security standards and, then, more specific standards that can appropriately meet the conditions of individual buildings. However, the goal of a single set of standards should be tempered by the reality of foreign missions. Standards that are flexible and sympathetic to individual environments make much more sense than unyielding fortress-like guidelines. Architectural guidelines may not solve social problems, but they certainly can create them. Inappropriate standards could lead to a waste of money, effort, and good will. It is far better to assess each situation individually and then promote an appropriate architectural response.

Some have considered the establishment of prototype buildings as an appropriate security measure. We do not believe that this is a good idea. On the one hand, a prototype would be too restrictive to allow for necessary design solutions for specific building problems. On the other, a prototype would offer such general guidelines as to be irrelevant to specific projects.

The report further recommends that the State Department establish a physical security procedural guide. Although certain elements of such a guide would be common to all facilities, it is clear that unique designs and components of each facility will require unique security procedures that reflect the design and site placement of each facility.

The Inman report has important implications for the way that the Foreign Building Office procures architectural services. That Office has typically overseen only a few major projects in any given year. If the federal government undertakes the massive building program envisioned by the Inman report, the Office will oversee as many as 20 to 30 major projects a year. The impact of this ten fold increase in demand on that Office must be carefully assessed, because the successful implementation of the building program depends on its ability to accept that demand.

The State Department's capacity to undertake additional building design projects must be developed simultaneously with the resources to procure quality architectural services. Design services represent only a small portion of initial construction costs, yet the quality of design services plays a major role in determining the life cycle costs of the building. Since construction costs are themselves only one-seventh of the building's total costs over a 40-year life expectancy, the value of quality design is considerable.

As the State Department accelerates procurement methods, development of objective criteria to evaluate the qualifications and competence of the design team becomes even more important. Separate review and evaluation criteria must also be developed to insure that the specific details of the project's development and construction are fulfilled to specification. "Fast track" methods offer a beguiling way to accelerate the foreign building program, but they are not simple to execute, nor do they guarantee success. The lessons of federal procurement suggest that a definitive scope of work, the selection of highly qualified firms and diligent contract monitoring are essential elements of successful design projects which cannot be compromised.

One last area that the Inman report did not specifically address is the need for increased research and development. To be successful, design must depend on advances in technology and communication and less on physical barriers and warning signs. The foreign building program poses many unique security problems, but their solution depends upon a substantial investment in building research and technology transfer.

Most anti-terrorism research has been directed toward military installations and high-security industrial areas. Relatively little research has been conducted on civilian buildings and site design. Even less investigation has focused on ways to make anti-terrorist design more aesthetic and contextual. Such research would not only contribute to the State Department's program but would also have broad benefits and applications in a wide range of public and private building types. Development of architectural guidelines, standards, and practices would both insure the security of foreign facilities and aid in securing a wide range of buildings in our own country that have been threatened increasingly by terrorists.

Training courses, education programs for designers, and preparation of graphic standards should all be developed through rigorous research programs sponsored by the State Department, the National Academy of Sciences/National Research Council, and other qualified agencies. A committee of the National Research Council's Building Research Board which has been investigating this area for over a year will be reporting its findings this year. Their findings on the need for advanced research on the development and application of state-of-the-art security measures for overseas facilities should be afforded the highest consideration of funding and implementation.

Much of my testimony has pertained to terrorist attacks against U.S. buildings abroad. But as demonstrated by the breach of barriers at the U.S. Capitol last month domestic facilities are also vulnerable to terrorism. While the risks for domestic buildings may differ from those overseas, they exist, nevertheless, and attention to our diplomatic posts and other foreign buildings must not cause us to lose sight of building security needs here at home.

The threat of terrorism to our diplomacy and for those who carry it out overseas is clear. The Inman report points the way toward making our diplomatic posts and facilities safer places for our personnel. As a professional involved on a daily basis with the issue of security design, I urge the Senate to give careful consideration to the report's recommendations. We stand ready to work with you in any way we can to assure that the physical presence of the United States overseas, expressed through its facilities, will incorporate building designs that represent good security and good architecture.

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